

We spend 75 per cent of our labour market programs on income maintenance, unlike the Swedes, for example, whose lower rate of unemployment reflects the fact that 75 per cent of their labour market expenditures are directed to job creation and re-training measures. Small wonder that morale and productivity is low in this country. Unemployment is a national tragedy. It saps our strength. When the foundations crack, we apparently lack the will to repair them.

We will not respond, honourable senators, to the challenges of globalization by some kind of evolutionary process. We will not simply become like the Japanese and the Germans through some process of natural selection. We will not enter the twenty-first century guided solely by an invisible hand. We will enter the twenty-first century only if we have a more fully employed economy with the corresponding dynamism employment brings.

A job is a lifeline. It is central to an individual's contribution, to the morale and purpose of a nation.

Honourable senators, sometimes I think it may be that our present electoral system is an obstacle to the goal of fuller employment. All political parties must become more issue-oriented as a means of developing more collaborative processes in this country, as a means of dispensing government power in bringing the full employment objective to the policy agenda. The resulting process of coalition-building would generate cooperation on economic matters; a far cry, I suggest, from the antagonistic environment which presently exists.

We may also have to consider means of forcing governments to dedicate themselves to fuller employment as a national priority. I am so alarmed by our present passive acceptance of unemployment that sometimes I think that governments should be obligated, even by the Charter of Rights, to deal with unemployment. I am sure of one thing: Our political tolerance of such institutional arrangements which have led to this great national tragedy, should and must end.

It is, of course, not easy to grapple with inflationary pressures and the commensurate threats to our international competitiveness. But governments must find more creative measures to resolve the unemployment-inflation trade-off than the bludgeon of tough fiscal and monetary policies. While we must prevent rapid price rises, apparent to everyone, we must not do so by sacrificing Canadians on the altar of fanatical financial zealotry.

There have been many ingenious forms of income policy proposed in this country. However, the major source of support to maintain full employment without inflation will be the confidence of the Canadian people, the confidence or

belief that government is committed to full employment in the public interest. Instead of our present adversarial relationship between a government and a society, we will then begin the formulation of a new social contract which will be the heart of our reconstruction.

I believe that reconstruction will be based on collaboration and cooperation. We will not develop self-reliance through directive or fiat. We will not reacquaint our generational poor with the basic tools of productivity through directive or fiat. We will not provide our citizens with an adequate income security program through directive or fiat. We will not gain a more fully employed economy through directive or fiat alone.

We are living in an era in which individuals seem to be withdrawing from national and regional institutions and moving towards the community level. This is a particularly pronounced phenomenon in my part of the world. People are doing this as a means of self-defence, of self-preservation. They are beginning real dialogue about who we are and what we are about to become. They are debating new concepts of work. They are recognizing the intrinsic worth of home production, of non-market labour. They are deploring the failure of governments with capital to provide for the livelihood of too many ordinary Canadians. They believe that something better than the status quo can be built in Cape Breton and Nova Scotia and throughout the Atlantic region.

The heart and sole of what many of us will become is being debated in our communities. They are ordinary Canadians and government must keep company with them. For example, government tax incentives could generate employment investment funds in cooperation with business and labour groups in boom times, to bank capital for hard times. There are even those who feel a full-employment fund might replace the present unemployment insurance fund. They suggest that it could be financed by government, in company with business and labour groups.

The emphasis, honourable senators, is on the word "employment". It is the key to the new age, and it will be brokered by the confidence, the courage, and the resolve of our people in companionship with government. That courage and resolve will not be sustained by witch hunts on quitters and by insisting that our people are guilty before they are proven innocent, as is evident in Bill C-113.

Honourable senators, in conclusion, governments must explore the intuitive wisdom of its citizens. It must immerse itself in the basic sanity of the Canadian people, because our nation is rich in sanity.

Perhaps Bruce Hutchison was right. We have never failed a decisive test when the alternatives were clear.

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