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However, are the needs for these programs any less? Is that the reason the government is cutting back expenditures in these fields? No, the needs are not less and the costs are not lower. In fact, they are higher. The result of these cutbacks will inevitably be that the provinces, which have much less ability to find the money to pay for these programs, will be required to find money, and the individual citizen will be required to bear the increased burden of these programs or do without.

There are indications that this is already happening. In the Department of National Health and Welfare which group has felt the axe of these restraint programs? One would think that at least the government would be more selective and that, more properly, it would have started at the top. What the government has proposed to do is to put the blocks to the poorest people in this country, the people whose standard of living can be compared with that of people living in some of the underdeveloped countries in Africa and Asia, the native people. These are the people the government proposes to give the chop to.

The universities and community colleges are having to cut back on their programs and to increase their fees. The increase in registration fees at one of the universities in my province last year was 20 per cent, and there will probably be another increase this year. Many hospitals in cities across Canada are having to close because the provinces do not have the money. As the federal government cuts back they are required to exercise restraint within their hospitals, and all of this with hundreds of thousands of people on hospital waiting lists.

Medical research is feeling the strain of these cutbacks. Through bookkeeping devices the government tries to hide this fact, but medical researchers cannot be fooled and they know that there is restraint in this area. As a result many medical researchers are moving to the United States.

What is the reason for this government restraint? The government says: "If we do not have restraint we will have more inflation, and inflation is terrible for the poor people; therefore, we have to protect them." One way in which the government is attempting to protect the poor people is by eliminating its subsidies on bread and milk.

An hon. Member: Shame.

Mr. Orlikow: On the other hand, they have allowed gas and fuel oil prices to rise. The result is that inflation is up, according to the figures which were published today, by 8.9 per cent. This is almost the level inflation was at in 1975 when the government brought in the anti-inflation program. According to today's figures, food prices increased last month by 1.9 per cent, and this was in the main due to the increase in the cost of bread. That is what government restraint means.

In his remarks the minister suggested that the reduction in public servants by approximately 6,000 positions would be accomplished without too much hardship. The minister must isolate himself rather effectively in his office because I do not

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think there is one member of parliament in any party who has not met people who have worked for the government for years and years and are now being laid off. I recently heard of a 50 year old doctor who had worked for national health and welfare for over 20 years and had received his lay-off notice. To say that these lay-offs are being conducted without any real hardship is either nonsense or ignorance.

The minister says that the restraint program is working, the government is playing a smaller role in the economy, which is working, and the private sector is picking up the slack. The minister can juggle the figures all he wants, but I would like to refer him to a full page article that appeared in the *Financial Times* last week which raised some very serious questions about the claim that 400,000 some odd jobs were produced last year. No matter how many new jobs were produced last year, the fact of the matter is that we have more unemployed in this country right now than we have had since the great depression of the 1930s. There were 977,000 people unemployed last month according to the official figures. Anybody who really cares knows that there are probably another 250,000 people who have given up looking for work because there is no point in doing so if one is unemployed in Glace Bay, Come-By-Chance, Newfoundland or the Interlake area of Manitoba, because there are no jobs there. This is what the government's economic policies and restraint program have brought us.

At the same time as the government preaches restraint and pats itself on the back for how well it is doing, it continues to hand out the goodies to the favoured few.

An hon. Member: Fat cats.

Mr. Orlikow: The pulp and paper industry, which is one of the most efficient and profitable industries in Canada and always has been, has been using its money to invest in other countries, such as buying plants in the United States or building new plants in Brazil. These foreign plants will eventually compete for sales with Canadian companies. What did the government do for this industry just a couple of weeks ago?

An hon. Member: Played Santa Claus.

Mr. Orlikow: It gave this industry over \$200 million without provisions for monitoring the money to ensure that it will be invested in Canada.

The automobile industry is the most profitable industry this world has ever seen, but what does the government do to get them to build a plant in Windsor? It bribes them by giving them a grant of some \$80 million. This government would like to bribe GM to build a plant in Quebec. Why should we have to bribe the automobile companies? They have made hundreds of millions of dollars in this country, and they are still making hundreds of millions of dollars every year in this country. Why do we not require them to build their plants in Canada to sell automobiles in Canada? There is no reason except that this government has no industrial strategy policy.

This government goes from disaster to disaster trying to plug the leaks. This so-called Liberal government is in the