tered its first merchandise trade deficit in 15 years. In the first 10 months of 1991 Canada's merchandise trade balance fell by $2.6 billion compared to the same period in 1990.

Some analysts are forecasting a double-dip recession. The Canadian Manufacturers' Association has gone even further by stating:

> —the Canadian economy is hovering on the brink of a 'triple-dip' recession. Trade, employment and shipments data for October and November point to a serious decline in export production during the fourth quarter of 1991.

Let us look at all of this in human terms. There was a record number of bankruptcies in Canada last year. Our oil and gas industry is in a shambles. More than 1,700 people are facing lay-offs at Imperial Oil. Thousands of jobs in manufacturing have simply vanished forever in Ontario. Unemployment opened the year 1991 at 9.3 per cent and closed the year at 10.3 per cent. Today, more than 1.4 million Canadians are unemployed. Many workers have lost their jobs permanently. Even worse, many lack the necessary skills to be competitive in the job market; 40 per cent of Canadians have difficulty with basic writing and arithmetic.

Even the employed are suffering. This past Tuesday the Conference Board of Canada told us how Canadians who are lucky enough to be working are living in mortal fear of losing their jobs. There are 2.2 million Canadians on welfare and one million children live in poverty. Two million Canadians including 700,000 children relied on food banks in 1991, a very telling statistic. And there are now more food banks in Canada than there are McDonald's restaurants.

As the federal government transfers less and less to provincial and municipal governments, they are increasingly being forced to shoulder the debt and are having to cut into the bones of their budgets to provide the necessary welfare to these 2.2 million Canadians.

I might add that as everyone in Canada knows, a municipality's only means of raising money is through property tax and grants from the provincial and the federal government and any revenues that might be earned through services at the local level. They cannot put on a 7 per cent GST; they cannot put on a provincial sales tax; they are at the mercy of the province and the federal government. Municipalities are the ones who have to pay the welfare costs. Those at the local level accept that everyone has the right to food and housing.

Providing social services is the essence of the Canada Assistance Plan. It is absolutely essential. Once a Canadian has reached the level of qualification for welfare, once all other means of support have been exhausted, the government has no right, in fact, it is obliged to provide assistance to that person.

What this government is doing with this legislation is forcing the provinces and the municipalities to do more and more with less and less. More, not fewer Canadians are being forced onto welfare by this government's economic policies. If the government callously rams through Bill C-32, less money will be available to reinforce the very bottom of the social safety net.

There are also other side effects of the cap on the Canada Assistance Plan. Hundreds of towns and cities across Canada have infrastructure projects on their books waiting for adequate funding. Our necessary streets, sewers, landfills, et cetera, are crumbling around us. What will be left of our urban infrastructure if we do not soon act?

The Liberal Party advocates that we be involved in the cost-sharing program—the federal government, the provincial governments and the municipal governments—to improve and to update the infrastructure in Canada.

The Liberal Party also advocates the use of RRSPs to finance first-time homes. This proposal would also help stimulate the housing market. The maximum allowable withdrawal would be limited to $7,500. The direct cost of such a program to the taxpayers of this nation is absolutely zero.

Another proposal of our plan calls for a shared-cost infrastructure program and I mentioned this before. Funding for these projects would be shared, one-third, one-third, one-third. The federal share would be $1 billion. Between one-half and two-thirds of the jobs created in these projects would be in construction and manufacturing and 90 per cent of the materials required are manufactured right here in this country of Canada.

Studies have shown that the net cost to the federal government after considering increased tax revenues and decreased UI and welfare payments would be $300 million. What an investment this government would have for $300 million. The $1 billion up front cost would