

The Budget—Mr. Heap

industry, not to mention some other Canadian manufacturing industries, and has then had the bad grace to taunt it with being weak.

Government first of all wounds it, injures it, then taunts it with being weak, putting out false propaganda about inefficient workers and management which does not modernize, and using that as an excuse for killing off the industry entirely in favour of imports from countries which pay very low wages, including police state countries. This is no way, Mr. Speaker, to build a high morale for recovery. Whether or not this Government feels this policy is good for Canadian investors, I can tell you, Sir, that this Government is producing great anger among hundreds of thousands of Canadian workers because it is damaging their chances of earning a living and then insulting them with accusations of inefficiency.

The Government is continuing a pattern of damaging this economy by its support of the mushrooming of interest payments. Interest payments, Mr. Speaker, as a percentage of the gross domestic product, have almost trebled in 15 years. In 1966, 6.3 per cent of the growth of the domestic product went to interest payments. By 1981 it was 15.2 per cent. That is a growth of 140 per cent in 15 years. By comparison, wages only grew 14 per cent, one-tenth of the rate of the banker's take, from 48.21 per cent in 1966 to 54.99 per cent in 1981. Yet we have had the Ministers of Finance and other Ministers of the Government stand in their places and accuse the Canadian workers of being inefficient, lazy and greedy, of taking too much money for their work, and wages and salaries being the cause of inflation. That, Mr. Speaker, is patently false and anyone who can read the Government's own figures on taxation—as I suppose the Minister can—knows that that accusation is false. It is the cancerous growth of revenues to the banks and the lending companies which has damaged our economy. Yet the Government continues in this budget to direct more money to that same place. The result of this kind of activity by the Government is that the working people of Canada chronically lack the power to buy what the employers and investors of Canada need to sell in order to stay in business.

One old pensioner said to me recently, very simply, "Mr. Heap, I'm not complaining that my pension cheque is too small. I understand that Mr. Lalonde hasn't got very much cash to give out. But I only want to say there is too much month at the end of the cash." That tells the story in one line, Mr. Speaker. There simply is not the amount of money necessary in the hands of ordinary people of Canada to keep this economy in a healthy state. Therefore, we shut down factories. Therefore, we have heavy unemployment, reminding us of the 1930s. Yes, there may be a recovery. The newspapers tell us there has been a little recovery in the last two or three months, a recovery at a higher rate of profit and at a lower rate of real wages. That is what it is all about, and that is what this Government has procured. It is also a higher rate of recovery with the now 8 per cent to 10 per cent permanent unemployment, as the Government announced this week and last week. This is, Mr. Speaker, really a conservative budget. In the increase of personal income tax, in its share over four years, we now have a budget which says there will be \$3.5

billion more in personal income tax taken over the next four years, \$2.5 billion taken from the same people in sales tax and \$2.5 billion given back to the corporations by way of a cut in their corporate income tax. This will mean, because of this budget, less disposable income, more buyer resistance.

With respect to its treatment of the manufacturing industries, what we have is a gift of nearly \$1 billion to the richest industry in the country, the oil industry, probably half of it to Dome Petroleum. In fact, the whole \$2.5 billion increase in the deficit goes to profits, so that the rich corporations will become richer and the domestic market will fail to grow. As to the share of interest payments, the Government is increasing its deficit by over \$2 billion, which might be all right and I might be willing to support it if it were being used productively, but it is not. The whole of that increase goes to the tax give-away programs. It goes to private capital. And there is absolutely no assurance that it will be invested in Canada. There is no assurance that it will be invested so as to create jobs in Canada. And there is no assurance that it will do anything to create buying power among the people of Canada.

As an example of this wasteful piling in of investment, which is supposed to create jobs and does not, MacMillan-Bloedel bought the factory where I used to work and, as a result, 100 people have lost their jobs. They did that with borrowed money that upped the interest rates for everyone else and created no new jobs whatsoever. More recently, John Inglis, with \$4 million from the federal and the Ontario Governments took over Admiral and is now killing 250 jobs. Thanks very much for the \$4 million, but 250 jobs will be wiped out as a result. We now hear that Massey-Ferguson may finally close down its Toronto operation after receiving tremendous handouts from this Government and the Ontario Government. To say that these gifts to capital produce jobs flies in the face of all our experience over the last ten years. Yet the Government will continue to borrow. We have just been told today there will be another borrowing Bill and yet we have just passed one. We have no time to discuss the Cruise missile or property rights; we have to get another borrowing Bill passed. By that means the Government will increase its inflationary share of interest payments without increasing jobs or the incomes of ordinary people.

• (1700)

My point, Mr. Speaker, is that this is a very conservative budget in the sense that the Liberals and Conservatives have teamed up, as usual, to increase the revenue of investors without any assurance that those investors will use that money to create any more jobs for Canada. We have a lot of what one Conservative Member called smoke and mirrors. We have it in Spadina, for example, where there are almost no assurances that any of the NEED projects, some of them entered four months ago, will be approved and funded. The Minister says there are 1,200 jobs approved for Spadina, but he is talking about the whole of Ontario because the Government of Ontario happens to be in Spadina. I am proud of that, but that