

Taxation

I am sure many of the backbenchers on the government side feel the same kind of frustration that we in this party and those in the Conservative party feel when we go to our ridings to talk to people, people who have worked in communities and built up businesses and reputations, according to the work ethic to which the hon. member for London West adheres.

I want to talk about a few of the businesses in my community that are no longer doing as well as they anticipated. I want to describe what impact this is having on the people. First I want to talk about a company that has been very successful in the forest industry worldwide. It supplies heavy logging equipment. The name of this company is S. Madill Ltd. It is a private company, established in Nanaimo. Initially, it developed mobile spars which caught on in British Columbia. From that start the company shipped its product to areas of logging throughout the world. S. Madill Ltd. enjoys a solid reputation in the community of Nanaimo. At one time it had up to 140 people employed in that industry supplying spar trees and other heavy equipment for the logging industry. This company now has only about 30 employees, mostly in administration. It has had to lay off its machinists, engineers, architects and many of its technicians, who have now gone who knows where. Perhaps they are in other parts of British Columbia, Canada or perhaps throughout the rest of the world. Those people are now lost to that community and to that company even if there is a turnaround in the economy. There were many long-time employees in that company who had served 20 and 25 years and never anticipated being out of work. But they did find themselves out of work because of the economic conditions in Canada and the United States.

My next example concerns a consulting firm. I know of an individual who has worked most of his life developing a consulting firm with well-trained engineers and technicians. He had a very profitable business going until there was a downturn in the economy. This individual is faced with the prospect of laying off his employees who had worked for him for years and years. They were dedicated employees and indeed they developed a friendship with their employer. He is faced with the task now, or soon will be, of laying off those friends and workers. This individual has requested me to ask the Minister of Finance to write the letter informing his workers that they will be laid off. He wants the Minister of Finance to write the letter to explain why these people are losing their jobs and why his business will no longer be in existence. I think it would be constructive for the Minister of Finance to sit down and write some of those letters, letters which many employers in this nation have had to write as a result of the economic conditions supported and implemented by the Minister of Finance and his government. I hereby request the minister to perform this task.

The lumber industry in British Columbia is a key to economic growth. At the moment in British Columbia thousands and thousands of woodworkers have been laid off permanently. Others are suffering from shutdowns of varying periods from now until at least the end of September. In my riding there are approximately 10,000 people on unemployment insurance.

This is 10,000 people who are no longer working in the woods industry or in businesses within the community. Of course, they are no longer contributing income tax to the federal government.

In this bill we are asked to approve a borrowing authority of \$6.6 billion. Much of that money will have to go to pay unemployment insurance benefits or associated costs of government because of economic conditions, none of which brings money into the economy. This is a government handing out money through social programs of which the hon. member for London West is so proud and on which Canadians have become dependent. Certainly we are not saying here in the House of Commons that the unemployment insurance program is supposed to be there so we can put 1.3 million or 1.5 million people on that roll instead of giving them full employment. But the situation the British Columbia loggers are facing is that of collecting unemployment insurance for a certain period of time and then they will have to go on to the welfare roll.

Major pulp mills in Nanaimo and Port Alberni are facing lay-offs over the summer months which will cause a further economic downturn and problems within the community. This will certainly affect the small business community, which is already hard hit by economic conditions and high interest rates.

The building association in my riding is suffering from bankruptcies within its organization. More and more people have been thrown out of work. On Vancouver Island, the estimates from the carpenters' union in mid-March revealed a 28.5 per cent unemployment rate in its membership in British Columbia. On Vancouver Island 38 per cent are unemployed. In parts of Vancouver, up to 60 per cent or 65 per cent of people in the carpentry industry are out of work.

The economic conditions in Canada are starting to trickle through the system and affect young people. We have seen recently the Established Programs Financing Act cutbacks and cutbacks imposed by the federal government in cost-sharing of health care and education.

The implications of unemployment, high interest rates and the cutbacks in program cost-sharing between provinces and the federal government will mean more and more of our young people will be unable to go to university. First, our young people will have to pay higher fees if they can go to university. Provinces and the federal government are cutting back their contributions to universities. Young people will be faced with higher fees, but now they are faced with the prospect of not getting jobs this summer. In British Columbia, the main employer of young people in summer months is the woods industry. At present, we have 15,000 permanently unemployed in that industry. There is no hope of people coming out of high schools, colleges or universities this summer finding jobs in the forest industry to finance their education next year. We are losing skilled workers not only in our business but in our industries. We are not allowing the young people to get the employment and the education they need to become technicians, engineers, scientists and trades people.