

Supply

It is clear that the Mulroney government is responsible for the first made-in-Canada recession, with its high dollar and high interest rate policies. The results of these short-sighted measures are even more disastrous for the unemployed and for all Canadians who must depend on food banks to survive.

With an unemployment rate in this country of up to 10.3 per cent, in other words 1.4 million Canadians, and with the number of bankruptcies totalling 62,969, which is 45 per cent more than last year, the government has a clear indication of the seriousness of the problem and how urgent it is to take steps to deal with it.

However, that would be too much to ask of a government that has done everything in its power to cause this disastrous situation. In fact, if we go back to September 1990, when it was becoming increasingly clear that we were in for a made-in-Canada recession, the government denied any responsibility, saying that this phenomenon was part of the usual economic cycle and that there was no cause for alarm.

• (1730)

To top it all, the government made the situation even worse in January 1991 when it introduced the infamous goods and services tax. As you know, Mr. Speaker, the GST is like an albatross around the neck of the Canadian economy. This tax has had the effect of discouraging consumer spending, the cornerstone of any vigorous economic recovery.

The GST is also an incentive for Canadians to shop across the border in the United States, which has had a great impact on our tourism industry. The latest figures released by the Minister of Finance show that introducing the GST cost Canadian taxpayers \$900 million.

On top of all that, the government completely ignored the major issues of the day in the budget tabled on February 26, namely national unity and the recession. Right in the middle of the recession, this budget provided for no assistance whatsoever for the 1.3 million unemployed and the half million people who have to rely on food banks.

This budget did nothing either to make Canada more competitive in the context of a global economy. No wonder that in its analysis the Toronto-Dominion Bank found that in economic terms the 1991 budget was the most absurd and destructive since the 1930s.

In their last budget the Conservatives did not pay any attention to the plight of the unemployed, acknowledging that the rate of unemployment would remain above 10 per cent for at least two more years. It contained no new job creation policy. Instead, the Minister of Finance cut the Canadian Jobs Strategy funding by \$100 million while at the same time hiking employee UI contributions by 24 per cent and cutting regional development funding.

[*English*]

Today I have heard many speakers talk about the economy, which is a very important issue. I want to relate that to the local level. We have talked a lot about the national economy. I want to give you a perception of what is going on in Restigouche—Chaleur and then get away from that and give you maybe some possible solutions.

The Restigouche—Chaleur area is a natural resource based section of Canada. We have a major problem with the forestry industry, as you well know. We have a mill in Atholville, New Brunswick, that has closed its doors indefinitely. We have a committee in place now that is working furiously at trying to get it reopened. Maybe there will be a new investor or a new buyer. Maybe they can diversify the product and end up with an added value product.

The Dalhousie mill has been in operation for many years. It has gone through some renovation, but it again has had some lay-offs over the years. If we go back 10 years ago there were 1,500 employees in the woodlands and mill operations. Now it is down to less than 1,000. We see our sawmills in Kedgwick and in other parts of the riding suffering from down time and having some economic problems.

The mining industry in the riding is in a downturn position. In fact the Belledune fertilizer plant has been shut down, I am told, for a two-month period. There have been lay-offs at Brunswick mining. Over the years, if we look at the operations of the federal government through CN in the riding, at one point in time not too long ago we had well over 1,200 employees. We are down to less than 200 right there now. That all has an effect on the area.