

Canadian Economy

Mr. Alexander: And he ignored it.

Mr. Peters: He may have ignored it, but I am not really sure there is anything he could do about it. It will take all the minister's cabinet colleagues to do something for these 30,000 workers. These workers pointed out problems to the minister about which I have known for some time. When you allow a corporation to automate and when you give it more money than it can spend, it is going to automate, and that will mean fewer jobs. When a company automates, much of its production can be farmed out, so it goes into the business of contracting.

Bill C-11 would provide another \$1.2 billion to help companies expand. Many of these companies already have profits which allow them to do any expansion necessary, and they now find themselves in a position where they can expand not only in this country but in other countries as well. We are providing them with other moneys from the Export Development Corporation to allow them to buy production from Canada, and that production is only production machinery to use in other operations. That will cut the throats of workers in this country. If there were not a potential for developing nickel in Guatemala or Indonesia, we would not be lending those countries the moneys we are lending them so that they can buy production machinery for properties which are owned and controlled by Canadian multinational corporations, and so that they can cut our throats and lay off workers in primary industries here.

There must be a dozen secondary workers for every primary worker in this country. Perhaps there are more, and when we lose 3,000 jobs in Sudbury we are not only losing those 3,000 jobs but we are also losing all the ancillary jobs which are connected with primary production.

The telecommunications workers told the minister the other day that the effect of the changes which have taken place is bad for them. Canadian employment in Northern Telecom will have declined by approximately 4,000 people in the three year period from the end of 1974 to the end of 1977. The telecommunications workers estimate the total reduction in Canadian employees in 1977 alone will be almost 1,200 people. There will be a cut-back in the installation forces of over 400 more people before the end of 1977.

Office staff of Northern Telecom in Quebec, represented by the COEU, fell from 2,600 in 1971 to 1,412 in 1977. They informed the minister that because of high Canadian productivity Northern Telecom increased its profits by 71 per cent from 1970 to 1976, compared with the national average of 20.8 per cent. These profits, they indicate, have been used to establish factories in other countries. In the United States those plants are usually in low wage, non-union areas, and they find the situation now where the company brings in telephone housings from Northern Telecom plants in Ireland and Tennessee, cross-bar frames from Turkey, and fuses from Malaysia.

During the same period Northern Telecom received substantial assistance from Canadian governments. In the last five years Northern Telecom has received approximately \$11 mil-

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lion in duty remissions and grants for such things as research and development. It also received over \$200 million in loan assistance and guarantees from the Export Development Corporation. The tax cuts for corporations in the last federal budget will result in about another \$4 million gift to this multinational in 1977.

Does the Minister of Labour not talk to his colleagues? It might be a good idea to have people doing menial work, but if we automate to the point where there are no people working, what will we do? Will we put them on welfare or some other dole, or will we provide them with other jobs in other industries? We can pick up any newspaper and read that Canadian National or Canadian Pacific have run out of tracks. We all know how much profit they make. They are huge multinational corporations. One is government-owned and one is privately owned, but they are huge corporations with many subsidiaries now operating not only in Canada but in other countries as well. They need rails from coast to coast, and if we were to re-establish railroads and put in rails we would have people working in steel factories, in mines, and in all the ancillary industries which are involved in the process of replacing rails. That is one example, but if we allow automation to create huge profits for development in other countries which can then be used against us, our difficulties will continue.

● (2202)

The members on the government side who spoke today dealt with the textile industry. Mr. Speaker, you can go into a store here and buy a shirt for \$7 or \$8 which could be made in Taiwan, Malaysia, Korea or Hong Kong. You can also go to some of the major stores and buy a labelled shirt, and if you look at it closely you will find it also was made in one of those countries but probably costs \$25. It is the same shirt. It is much better for Simpson's, say, to buy their shirts in Korea than in Canada because they can make more profit on them. There is something wrong with a system that allows this to happen.

An hon. Member: They don't pay their workers.

Mr. Peters: Our Canadian workers are well paid, it is true, but it is a myth that they are not well paid in other countries. I was in Japan and found that a worker there gets 15 cents an hour, but was told that he has the use of a car, has a coloured television and all the things that workers have here. In some cases he has even more because his hospitalization is paid, so is his holiday, and children's education. It is a myth to say they are only paid 15 cents an hour. If that is so it must be equivalent to our \$15 or \$20 per day, because they have the same standard of living. Members should travel to those countries and then would be able to compare conditions.

Many of these countries have trading companies, and they trade in a totally different way from us. I think it is time the government looked at their methods. Jean-Luc Pépin, a former cabinet minister who has been seconded to several other menial tasks since he left here, when he was minister of industry, trade and commerce tried to persuade the govern-