

*Supply*

pleased he is that at least 5,000 of the 12,000 members of his union are working.

He is very pleased to see 50 construction cranes around the city. He says that if it were not for the non-profit housing program of the Ontario government hardly any of that would be happening.

There are 20,000 day care spaces to be opened under the government's program. The government has also taken a risk, a well considered one and I hope it will be a successful one, to prevent the Algoma Steel mill in Sault Ste. Marie from closing. When the crisis broke the provincial government moved in quickly and organized a task force including all stakeholders: the community, the union, the company, the banks, the provincial government and the federal government.

I must commend the federal government because, although it delayed long enough to cause considerable worry, it nevertheless joined with the Ontario government in a program to subsidize older workers' early retirement so that the people of Sault Ste. Marie do not lose all their young men and women by forcing them to leave Sault Ste. Marie to find work.

However, I do not want to dwell on the remedial programs that may be used, that may not be used, that should be used and so on. I want to deal with a large fundamental problem that needs federal action, which is the impact of the free trade agreement and of the proposed North American free trade agreement in terms of destroying jobs.

The federal government must cancel the existing agreement and cease negotiations on the present North American agreement until it can be fundamentally reorganized along different lines so that it does not put all the burden of change on working people.

I want to quote from a recent report of the city of Toronto's economic development committee to the city council on the—

**An hon. member:** Communist.

**Mr. Heap:** The hon. gentleman across calls Mayor Rowlands and various other people communists. I will leave it to him to sort it out with them.

This is a report of the city of Toronto. It will be considered in a couple of weeks at a meeting of the city's committee on this issue. It concerns the impact of trade liberalization on the city of Toronto.

There is not enough time to go through the whole report because it is a very detailed report based on many other documentary surveys. For example, it points out that there has been a great shift of head offices from Ontario to the United States. Pillsbury has moved and Avis has terminated 16 of its head office positions. Head offices in the city of Toronto experienced a 16.2 per cent drop in employment from 1989, following the free trade agreement, to 1991, a loss of 7,254 jobs. This is happening in the head offices of our country.

Another segment of industry that has been very hard hit is the food processing industry. There is a great deal of food processing in and close to the city of Toronto and metro Toronto, though not as much as there was. In the period from 1989 to 1991 the food processing industry lost 21.4 per cent of its jobs in the city of Toronto and 8.6 per cent in metropolitan Toronto as a whole.

Many of those industries moved to the United States, partly as a consequence of a wave of mergers and American takeovers of industries like UNICO which then either shut them down or seriously reduced them.

• (1240 )

The Ontario Food Processors' Association which hopefully supported the free trade agreement in 1988 is now pointing out that although the federal government promised transitional assistance—it was recognized there would have to be transitions in the industry and the federal government promised transitional assistance to those industries negatively affected—this assistance has not been forthcoming, at least not so far as the association is concerned.

The United Food and Commercial Workers Union is of the opinion that the free trade agreement has not presented the industry with the open markets of the United States that were promised. This is widely understood. It has even been acknowledged by some of the people who helped to negotiate the agreement, such as Mr. Ritchie, that the Americans have not kept their side of the bargain and it looks as if they are going to be less