

Economic Conditions

import oil from Saudi Arabia and pay Sheik Yamani \$40 than pay our own brother Canadians more than \$16 per barrel. Is it any wonder that the rest of the world is frowning on the Canadian dollar and does not want to put assets into Canadian dollars? In fact, people are bailing out of their Canadian dollars because of the kind of policy they see here.

Unemployed people get \$189 per week maximum compensation. There are 787,000 of them now officially admitted. There will be one million unemployed this winter. These people are below the poverty level. They spend over 67 per cent of their compensation on food, shelter and clothing and they are told to somehow switch that and spend more on food. That is the policy of this government. That is the MacEachen policy.

Real wages are going down 4 per cent. This year they will go down 2.2 per cent and next year they will go down 2.4 per cent. Every worker in Canada will have less in real income this year and next than he had last year. That is the policy of this government.

Real growth is at minus 1 per cent this year. Our gross national product, that is, goods and services, is declining 1 per cent this year under this government. Next year it is forecast to go up only .5 of 1 percentage point. The Economic Council of Canada had to revise its projections downwards because of the minister's budget. It was the most disastrous budget in Canadian history. It was the most rapidly dissolved and the most reprehensible and the most rapid budget to be shown to be worthless of any budget ever to be brought down in Canadian history, this misbegotten aborted budget of October 28.

What is the only solution for Canada, apart from a change in government? If hon. gentlemen opposite have an ounce of shame in their bodies, tonight they will get out because of the way they have fooled the Canadian people. In the Economic Council of Canada's 1980 report entitled "A Climate of Uncertainty", we find at page 33:

In last year's review two driving forces in the Canadian economy could be identified; the world, and particularly the U.S., outlook even though it appeared modest at the time; and high domestic energy investment.

That was their economic prognosis last year. This year they say "because the world outlook is bad, because the U.S. outlook is bad, it cannot do anything for Canada." It is not going to fire up Canada. The U.S. outlook is even worse than our own. The only thing left for Canada is high domestic energy investment. Again at page 33 of the Economic Council of Canada's report, we read:

Now only the latter remains to move the Canadian economy forward in the 1981-1983 period.

What is this government doing? It is doing the exact opposite. It is putting the death knell on energy investment in Canada. There will be nothing left to move the Canadian economy forward. No fewer than 735,000 jobs in the 1980s will be gone. The tar sands is stopped. The heavy oil project is stopped. Judy Creek is stopped. The offshore is stopped. Why has this happened? Because this government is in confrontation with all of those provinces, with the private sector. It is trying to get more power here in Ottawa and trying to extend

state control and state domination. The government is doing the exact opposite of what its own economic body is saying. The only thing we have to depend on in Canada are the massive energy projects in the next ten years. I believe the figure is \$1.2 trillion which will be needed in investment. Of that at least \$16 billion a year will have to come from outside of Canada yet this government threatens to sick Herbie Gray on to anyone who invests a dollar here in Canada and have Herbie tell them whether they are running their business properly or not. We know what Herbie is doing. We are seeing what his record is with Chrysler and with Massey-Ferguson. They are the sick pups. Luckily, he is not here tonight.

The other day I quoted what Mr. Otto Eckstein had said. Mr. Eckstein is an American economist. The Minister of Finance laughed. He had never heard of him. That shows his immense knowledge of economics. This prominent American economist of Data Resources Incorporated said this: "The collision between a stubborn inflation and moderate money supply targets is producing interest rates that will stop the economy's growth in early 1980-81". That is exactly what is happening here. It is a collision between the stubborn inflation and the moderate money supply targets which will stop everything dead here in Canada. We can forget home building, construction, consumer spending. We have 18.25 per cent bank rates here today. The unemployed can forget about being re-employed in the next year or two to come. The elderly can forget everything also. Where is the assistance which was promised to the seven million home owners last year? The tenants were particularly close to the hearts of gentlemen opposite. They voted against our mortgage interest proposition. They said it was shocking and that it would only help home owners and they wanted to help renters and tenants. How have they helped them in the last ten months? They have turned their backs on them. Hon. members opposite are conscienceless, or they would resign tonight.

We are waiting to hear from the minister. What is his plan of action? On October 28 he brought down a budget with an energy policy. Since then everything in Canada has gone downhill. In question period in the House one day, when I quoted an economist who said there would be one million unemployed next year, the minister said that was totally wrong. His own figures in the document which he produced, the medium-term prospects for the Canadian economy, show there will be 1,026,000 unemployed next year. In his own document he said there will be "mild appreciation" of the Canadian dollar this year. Its value will go to 86 cents U.S. in 1980 and 87 cents in 1981. How can the minister even sit here after making those kinds of projections just six weeks ago, Mr. Speaker? This government has turned its back on the one million unemployed. It has turned its back on several millions of elderly people. It has turned its back on the Atlantic provinces and on seven million home owners. It has turned its back on the regionally disadvantaged. It has turned its back on Alberta. It has turned its back on Ontario where unemployment is steadily accelerating.