

It is not just an individual problem like the problem Brother Tony Brown exemplified at our meeting this afternoon with representatives of people across the country who are having problems with interest rates. Tony works at Weldwood in its plywood division on Kent Street. He is a member of the Vancouver local of the IWA, and since August of this year that plant has been operating on a two week on-two week off basis. There is no sign of improvement for the remainder of this year and no sign into the new year.

Tony Brown has a \$59,000 mortgage at 14.5 per cent. On December 16 he will have to renegotiate that mortgage. He has a wife and three young children and, in spite of what some people say in the House and outside the House, people who love to lecture other people on the sacrifices they should make, he did not go out and buy something beyond his means. His home is very modest. It is a row house condominium. It has three bedrooms, but he has three children. It is very modest accommodation. In the city of Vancouver it would have to be modest, with only a \$59,000 mortgage and bought only a short time ago.

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Like many others in the forest industry Tony has to renew his mortgage, and high mortgage rates have vastly reduced housing starts in North America and particularly in Canada. Tony Brown works in the plywood division. Eight-five per cent of plywood production from western Canada is sold in Canada, and the Canadian market is much worse even than the market in the United States, Reagan, his friends and his Trojan horse notwithstanding. Tony Brown's paycheque is reduced 50 per cent, and his mortgage payments are currently \$732.88 per month. When he renegotiates his mortgage, as he will be doing in the next few weeks, he will be facing payments upwards of \$1,200 a month.

Tony Brown faces this increase when he earns only a two-week on, two-week off paycheque. That surely is a crisis. Hon. members opposite do not like us to talk about a crisis. They seem to think we take some glee from it. There is no glee at all.

Mr. Kelly: You revel in it.

Mr. Kristiansen: There is no glee at all. This past summer I found myself the only member of my union in all of British Columbia who was able to pay his dues. Do hon. members think I got glee out of that? I did not. That is the situation we are in because of the crumbling housing market for which this government is in large part responsible. It is worse in this country than it is south of the border, again Mr. Reagan notwithstanding.

Hon. members opposite say we should give them some answers, but what are the answers they have given to people in the forest industry who are being laid off or faced with plant closures? One of their answers in the last few days has been to introduce Bill C-78, which contains the principle of unemployment sharing. The government wants to save money on unemployment insurance. Hon. members opposite want people who

have been laid off to share their unemployment. That is certainly an advance to the rear, and there will not be many workers in my industry who will be thankful for it.

What have hon. members opposite done for those who are suffering because of plant closures? They have decided to plug a loophole and attack severance pay. People who have lost their livelihoods for good but have managed through their collective strength to negotiate some severance pay so that they will have something to tide them over, to get themselves re-educated or retrained or to grow old enough to get some pittance of a pension will have even that minimal amount of severance pay taxed. That is the kind of help they are getting. No, thank you very much; we can do without that kind of help. That is punishment, and surely to heaven these people are being taxed enough and punished enough already.

An hon. Member: Are they?

Mr. Kristiansen: An hon. member opposite asks, "Are they?" I can assure hon. members that they are. Over 11,000 forest industry employees in western Canada have already lost their livelihoods, as have over 8,000 spouses and over 18,000 children as a direct consequence of the interest rates which are part of the policy of the Bank of Canada, which gets its marching orders from this government and from the government to the south of us with which this government obviously shares an economic philosophy.

Mr. Keeper: And the one we defeated in Manitoba.

Mr. Kristiansen: And that one too, the "Sterling" government, in line with the sterling speech we heard from across the way a few moments ago.

Some of these people have lost their homes. Someone asked if these people are being taxed enough already. On a mortgage principal of \$50,000—modest in light of B.C. housing prices—renewed on September 1, 1980, for one year, the increase alone in interest charges effective this past September absorbed \$3.20 per hour of pre-tax earnings if the borrower is lucky enough to work full time. Every worker in this situation in Canada is being charged an average of \$3.20 per hour to pay for the increased interest rates which have resulted from the policies of hon. members opposite. Negotiated wage increases are ranging from \$1.25 to \$1.90. This government has taken away an average of \$3.20, and hon. members opposite have the unmitigated gall to suggest that if these people demand a little more, they will introduce some newfangled tax system to do to them what their wage controls in 1975 could not do.

Someone is benefiting from all this, and it surely is not us. It is not my friends to my right, and I do not think it is any of the individuals opposite. However, somebody is. The transfer in wealth as a result of the interest rate policy of this government works out to \$10.6 billion a year from the poor to the relatively rich. Somebody is getting it. My friend, the finance critic for this party, asked a question on this the other day. He did not receive an answer. There are no answers coming from this government or from the Minister of Finance.