

*Private Members' Business*

That again is tied directly to its reliance on the free trade deal to attempt to move the economy of this country forward.

As a result, what we see is an economy that is reeling. It is not only reeling at the national level when it comes to the macroeconomic trends, but it is expressed very much at the local level in the loss of confidence in the future by many people in local communities and the loss of control over what is happening to people's jobs and economic livelihoods.

At the same time, we see the exacerbation of a trend which Canada has noticed for a long time, that is the widening gap between the rich and poor in this country. Canada has one of the worst records in the world when it comes to the gap between rich and poor in this country and that gap is only becoming wider. However, there is an option and that is the option represented by the democratic economic system.

From coast to coast we see Canadians very much involved in the democratic economic system. On the east coast we see the Antigonish movement. In northern Canada we see Arctic co-ops. On the west coast we see fishing co-ops. In Quebec we see the Desjardins movement. In the large cities and metropolitan areas we see the development of housing co-operatives. On the prairies we see the pools and federated co-ops. There are credit unions from coast to coast. There are community economic development organizations in many communities, and these are particularly successful in many of the native communities in this country.

In fact when we look at this sector, we look at 12 million Canadians who have a direct stake in the economic future of their community, 12 million Canadians who are direct stakeholders in their economic future. This is many times the number of Canadians who own shares in corporations through stock exchanges or own and have interest in private businesses. This is the most effective way to get people directly involved in their economic future and that of the country.

When you look at the size and strength of the co-operative sector, seven of the ten largest enterprises in agriculture handling over 40 per cent of the receipts in agriculture are co-operatives. Hundreds of thousands of Canadians are involved in community economic development corporations of one sort or another. We must say

that these organizations have grown up largely on their own. At best they have experienced benign neglect from governments both provincial and federal and have in fact developed on their own. In some ways this is appropriate to grass roots economic organizations, but it also demonstrates the strength of bottom-up organizations as opposed to top-down approaches to economic organization. It boggles the mind to think of what these organizations could be doing if in fact they had the appropriate kind of assistance, some of which I plan to outline in my presentation.

In 1984 the co-operative sector, through the Canadian Co-operative Association, undertook a major study on the future direction of co-operatives and how governments could relate to them. There were four major recommendations coming from that task force, including the appointment of a minister of state for co-operatives, the formation of a co-op savings plan, more funds for co-op research and education, and the promotion of housing, worker health, and resource co-ops.

Since then we have seen the formation of the co-operative secretariat and the appointment of a minister in 1987. But it has been a very tentative step and it has fallen very much short of the expectations of the co-op sector and the realization of the potential of this sector. In fact there are only nine people in the co-op secretariat. Certainly when you view the vast mandate to promote co-ops, to organize federal-provincial conferences, to follow up on initiatives from those conferences, to co-ordinate co-operative development through other government departments, nine people arrayed against the vast federal bureaucracy is a mere drop in the bucket. It is a credit to the dedication and competence of those people that we get as much activity out of that secretariat as we do.

One direct result of the fact that those resources are inadequate is what we see happening with regard to the GST and co-ops. I have repeatedly asked in this House over the last year—and the co-op sector has made numerous representations—for equal treatment under the GST for co-ops. As it stands now, the government argues that membership and shareholding in a co-op is the same as membership in a golf course. This is preposterous and indicates what a fundamental lack of understanding there is for how the co-op sector operates