

Corporations and Labour Unions

I would like to use Massey-Ferguson as an example to make my next point. I do not know any of the people associated with that company and I have no particular gripe against them. As the hon. member for Capilano might think, I certainly do not envy them. I am not a particularly envious, and some might say a particularly enviable, person. I am certainly not envious of what the executives at Massey-Ferguson are making.

What kind of society are we trying to create? Massey-Ferguson, which is a large corporation, has fallen on hard times for a variety of reasons—because of a number of bad corporate decisions, very difficult interest rates, and the transformation of the farm implement business, not entirely dissimilar to the problems facing the auto industry. At the same time that this is happening, the company comes to the government. I am sure the hon. member for Capilano, when he was minister, heard rumblings about what was going on with respect to Massey-Ferguson. But at the same time that those rumblings were going on, the income of the chairman and president of that company was increased substantially. His salary went from \$272,773 to \$390,591—a pay increase of 43 per cent. The first vice-president accepted a 40 per cent increase bringing his salary to \$281,818. Another vice-president had his salary increased by 30 per cent to \$227,580.

Mr. Kristiansen: That is restraint!

Mr. Orlikow: Where did you get your figures?

Mr. Rae: Two of my colleagues, in a gospel-like manner, are calling on me to make two points.

We recognize that the minister, when he was a Tory, was saying that we must have restraint. We must have a sense of what is fair. All of us now recognize that as a society we must make some difficult decisions with respect to who gets what, when, where and how. These are not individual decisions. These are no longer decisions which are allocated by the marketplace because the marketplace no longer allocates them. Where the marketplace allocates them it does not often do it very well, effectively or fairly. There has always been this fight in western civilizations since the collapse of the moral order in medieval society between the notion of a moral economy and the notion of a market economy.

Mr. Huntington: You are back in the Vanderbilt age.

Mr. Rae: The hon. member says I am back in the Vanderbilt age. I will not do him the disservice of telling him what age I think he has been living in for the past while.

That is the nature of conflict; it is the consistent return in our society to the question of a moral economy and to the question of why people should be earning this much. Why should there be this disparity of wealth of ten, 20 and 30 times between one individual and another for performing work? That question is back and it will not go away. It will not disappear. You can not ask people to remove it. It is not a question of envy; it is a question of justice and fairness. It is the continual return to that question that we simply cannot tolerate any longer.

We cannot tolerate the Minister of Finance going to a conference and telling senior executives that trade unions must show restraint when we know what trade union increases have been in the last year. They have been 10.9 per cent; Statistics Canada tells us so. That agency also tells us that inflation is at 12.5 per cent. I do not care if it compiles its CPI figures in the last week of April, the first week of May or the last week of March for May or April, or however it is done, you cannot conceal the hard fact when it comes out. It is a fact which everyone knows—the cost of living is going up faster than the average individual's income.

At the same time, side by side with that, we have corporations which are not doing very well. You can hardly call it a reward for success. Where is the market punishing failure? Was the chairman of Massey-Ferguson punished for his failure? Was the company punished in any way for its incompetence? Where was the rugged, muscular individualism which is supposed to mete our punishment and give rewards? It did not function. It is not functioning. That is why it is so absurd that we must go to the United States to find out what the directors and chief executive officers of Canadian companies earn—as my colleague for Winnipeg North (Mr. Orlikow) implied.

Our society must find some way to recognize that the auto worker who lives in my riding, or one who works at Massey-Ferguson, has as much right to a decent wage and to a sense of property as anyone. He wants to own property. Who is protecting his right in a society where interest rates are at 22 per cent, where our largest institutions are only too happy to see smaller companies go to the wall, where the individual's right to property—be it a farm property or his home—is threatened, not by socialism, not by the NDP—certainly not in Ontario—but by the system itself? I believe in private property as much as the hon. member for Capilano. But I believe in it so much that I think everyone ought to have some. That is why I am in this party and not in his place.

Mr. Huntington: I rise on a point of order, Mr. Speaker. I have enjoyed the remarks of the hon. member for Broadview-Greenwood (Mr. Rae) very much. Much of what he says in terms of fairness I agree with. But he has labelled me with probably belonging back in the age of the dinosaur, and I rise on a point of order to protest that.

Is not the problem he and I face today, the issue we are debating today, the problem of paying for the welfare state? For years I have heard Sweden, Norway, Denmark and Great Britain used as examples, and now Canada. They are all in trouble, with perhaps the exception of Norway which has the bounty of North Sea oil to assist it in its problem. That is the dilemma we face. I do not think the hon. member should label me as being back in the dark ages because the system or structure being put in place in those countries is not delivering the solutions. What we on this side are appealing for is debate and delivery, a resolution of the dilemma we face here in Canada. It will certainly not come from—

The Acting Speaker (Mr. Blaker): Order, please. There is a custom in the House where an hon. member sometimes rises