

Supply

the people who control our economy. He is or was on the board of the Canadian Fund, the Canadian Investment Fund, Canadian Pacific, Credit Foncier, MacMillan Bloedel, Marathon Realties, Bechtel and so on. What is he offering the country? It seems there is nothing there in the new Liberalism.

Donald Macdonald, who is or was on the board of McDonnell Douglas, Shell and Dupont, is getting \$800 a day to bribe the economy. The people in Vancouver-Kingsway are damn mad about that. They see this big shot getting all this money while they have to suffer and bear the burden of unemployment—and there is a lot of unemployment in British Columbia, especially in the forest industry.

What are we getting from the Government? We are not getting any policy. We do not seem to have any true direction. We are asked to wait and see and hope that we will get out of the recession. It is the Tinker Bell mentality. Like Tinker Bell, if you wish hard enough, you will fly and you can then fly out of the recession.

The Bishops raised another point that I want to touch upon, and that is distribution of income. The Economic Council of Canada said the gap between the most and least affluent is growing. Between 1970 and 1977 the wealthiest Canadians saw their wealth increase by 3.5 per cent and their debts go down by 6 per cent. The neediest, on the other hand, saw their wealth shrink by 13 per cent and their debt jump by 32 per cent. The combination of high interest rates and high unemployment that has marked the 1980s threatens to accentuate that disparity. In other words, the situation will get worse. There will be a further distribution of income. That is what the Bishops were talking about.

Other people in response to the Bishops, notably Canada's most powerful lobby, the Business Council on National Interest, simply avoided the fact that the Bishops pointed out that 20 per cent of Canadians are getting 42.5 per cent of the income. The Business Council and the Conservative Party have taken a rather simple world view, and it is this. They see the world as still a simple place where inflation is the main cause of unemployment. To cure the recession, inflation must fall. Then interest rates will follow and people will spend and business will invest. Growth will return and jobs will be created. In a nutshell, that is basically the Conservative policy.

It would be nice to have a world so easily manipulated, but there are real concerns that we are losing jobs that will never return. The Bishops spoke about the rapid movement of capital from one country to another. They said, and I quote:

—the tendency to treat people as an impersonal force having little or no significance beyond their economic purpose in the system.

You may not want to accept what the Bishops say, Mr. Speaker, but it is clear that the Bishops are right on. Canada's economy is in a crisis. You see evidence of that crisis when you talk to people across this country.

I want to talk a bit about my trip to the industrial heartland of Ontario. I think it focuses some of the issues. I want to predict what we will see in the future as a result of some of the

things I have learned. I met with a group of unemployed workers in Welland. With a little help from the union but not much help from anybody else, they formed their own group. This was the first of seven of those groups that I met. It was, if you like, organically formed. I want to tell what they said to me, and I will use their words. They said: "Mr. Waddell, at first we felt being unemployed was like a cancer. You do not want to say that you have the cancer. You do not want to say that you are a bum. We are not bums. We are well educated." I met people in unemployment groups who had finished high school, gone to community college and been retrained. I actually met a fellow who had been retrained twice.

When I attended university in the early sixties, I had Professor Marshall McLuhan, a notable professor. I remember him telling the class that people will have to be retrained three, four, five or six times in their life. I never believed that, but I saw it with my own eyes in Welland and St. Catharines. Can you believe that in modern Canada I saw a soup kitchen in a church in Welland? I met with the Welland Council and the Thorold Council and the Hamilton Council, the St. Catharines group, the Niagara group, the Windsor group, and I will tell you what they told me about the Government's economic program. They told me these NEED Programs do not work, that they are temporary programs, that they make no sense. In Windsor they were counting dogs: that was one of the programs. In another case they were cleaning brush in St. Catharines. They said that there are jobs to be done, there are bridges to be built, there are sewers to construct, there are traffic lights to be fixed, and so on. Forget this bureaucracy and give the money to the municipalities to hire contractors and pay decent wages to create proper jobs.

• (1640)

NEED has created 60,000 jobs. We are going to have a million people go off the Unemployment Insurance rolls in the next year. With 13 or 14 per cent unemployment I have my doubts whether our UIC and welfare systems can survive in the next year. It is that much of a crisis in the country.

I met with the municipal Councils of Welland and Thorold and I asked their civil servants and staff if they could provide me a list of the industries in their area. They provided a list of all the little manufacturing plants. I found that they all had dropped about 20 to 25 per cent in the last year, that many of them are foreign owned and the money is being drained out of the country. I will give an example of a company in Thorold, Ontario Paper, that had closed down and was re-tooling. When they finished re-tooling, getting into high-tech, they did not bring back their full shift, so people were laid off. Consistently in every company as you go through the list there is a 20 to 25 per cent reduction.

I met with some fruit growers there, a small business. They said: "We are no longer canning things here; we used to can fruits, and so on, but we no longer do that". I had breakfast in the Holiday Inn and I had some apricot jam as I looked out at