

## Inside Canada by Pierre Beaudry

### Planned shrinkage of the workforce

*The result of Ottawa's "post-industrial" policy: one out of six now lives below the poverty line.*

The Canadian government is scarcely even pretending that there is an "economic recovery" any more, as a new study released Sept. 30 by the National Anti-Poverty Association made front-page newspaper headlines with its revelation that four million Canadians are now living below the poverty line—about one person in six. The past two years have seen a 25 percent increase in the number of welfare recipients.

Canada is facing the worst depression of its history, the result of the Trudeau government's policy of zero demographic and industrial growth. The latest census results released Sept. 20 show that the population has reached a mere 24.9 million—about the size of the state of California—and achieved a growth rate of 0.8 percent during the last year. Rather than boost this demographic stagnation through immigration, the government is imposing new immigration ceilings. Ottawa's policy is also to shift employment out of industrial manufacturing into the service sector and the "post-industrial society"—compounding the economic crisis.

During the past decade, there has been a sharp decline in both the birth rate and in immigration. The proportion of Canadians under the age of 17 sank in 1983 to 26.8 percent from 35.7 percent in 1971, and the targets for immigration set for 1985 are not expected to hit the 1981 level.

The latest ceiling on immigration was set in a Department of Immigration paper produced in June 1982 and entitled "The Canadian Economy and

its Implications for Immigration," which the press recently obtained under the Access to Information Act. The report reveals that the government's intent is a zero-growth economy. The projections set in 1981 for the period until 1985 were not only cut back then but were cut again last November by about 25 percent. The *Montreal Gazette* reports that "The paper predicts only 7,000 selected workers will settle in Canada this year, a 60 percent reduction from 1982."

Behind this anti-immigrant policy is former Minister of Employment and Immigration Lloyd Axworthy, who followed a Club of Rome script to shut down the manufacturing sector of the economy. The new minister, environmentalist "acid rain" fanatic John Roberts, is expected to fully enforce this commitment.

The productive capacity of those workers still employed is being savagely reduced through speedup and other measures. Ford Canada president Kenneth Harrigan, for example, was quoted in the *Toronto Globe and Mail* Aug. 10 as stating that the company "will increase production by 25 percent by adding four hours of production to each of the two 40-hour shifts for the next two weeks and increase that to eight additional hours on each shift beginning Aug. 22."

"We look at this as a period of opportunity," said Minister of Economic Development Donald Johnston when he announced in May that the "technetronic revolution" would mean "the loss of 1 million to 2 million jobs, by 1991." On Sept. 21 Johnston in-

formed the House of Commons that "full employment may no longer be a sensible and reasonable goal."

Minister of Trade and Commerce Edward Lumley had declared in March that the Canadian government was abandoning any effort to develop an industrial strategy. Lumley "put the lid on the coffin of a federal industrial strategy," stated the *Globe and Mail* on March 30.

Canada's post-industrial shift was spelled out in July at a conference in Couchiching, instigated by the Club of Rome. Futurist John Kettle observed there that "in 1982, thirty-six per cent of Canada's national output came from the information sector of its economy, while only 28 per cent came from industry." Stuart Smith, chairman of the Club of Rome's Science Council of Canada, said "We shouldn't get hung up on the idea that services aren't wealth producers." Emphasis should be put on "intellectual resources" rather than "natural resources," he said. Arguing that industrial jobs have been easily replaced in the past, Smith advocated that Canada "should become a provider of services rather than natural resources."

Figures for 1982 indeed reveal that profits and outputs of key sectors of basic industry are falling at an alarming rate. Steel production, for example, suffered the worst decline ever in 1982, according to *EIU Quarterly Review of Canada*. The three largest steelmakers, Stelco, Algoma, and Dofasco, reported an after-tax loss of \$66 million compared to profits of \$73.9 million in 1981. The output fell by 13 percent to a piddling total of 10 million tons.

Canadian corporate profits as a whole for 1982 have been 33.3 percent below the level of 1981, which itself showed a decline of 10.5 percent from the previous year.