deserving of criticism. It is the system of the Liberals and the Conservatives, not ours. That is where the problem lies.

Both the government and the official opposition took exactly the same position on interest rates. They tied interest rates to American levels. One was the same as the other. Both surrendered to the governor of the Bank of Canada. We have listened to the members on my right baiting both our party and the government for some time. They do not like to get it back. I excuse the hon. member for Parry Sound-Muskoka, because his speech was in a different vein. There is no enmity, but the tragedy is the political hypocrisy which has been repeatedly demonstrated over the last several months. It has been such that feelings for the democratic political process have fallen. That is a tragedy in itself.

The Minister of Finance, in his early entry into this debate, suggested that the policies pursued by the New Democratic Party would cause short-term inflation, and he rejected them. No one ever suggested that growing up was easy, but surely one of the reasons we find ourselves in the present economic malaise is that governments—particulary the party which forms the government of the day—have neglected the structure of the Canadian economy for years and years and years. They have refused to make any action to become masters of our own house. Despite all their words of new found courage and how they will Canadianize the oil and gas industry, or take control of our own destiny, surely it is not difficult to understand why some of us on this side find some of those arguments and new-found postures rather incredible. The batting record just has not been there.

● (0720)

What are some of the things which have taken place in the period of the last few days? The Bank of Canada interest rate today is up to 17.36 per cent, the highest ever. The prime rate charged by chartered banks is 17.5 per cent.

Tomorrow one of the major banks will increase its prime rate to 18.25 per cent, that is today, at least I think that today is the tomorrow of yesterday. Where are mortgage rates going? What will it say in today's newspapers as we look at them in an hour or two from now?

The budget forecast that the unemployment rate for 1981 will be the highest since the depression. And then they say that policies suggested from this side of the House, whether from the official opposition or from this party, will not work. My God, can there be any clearer example of absolute and total failure than a look at the statistics to which I have just referred? If that is not total, abysmal failure, then what else is it? It would be very difficult to do worse. Surely it is worth a try. Other jurisdictions in other countries with governments left, right, or centre, have done better. Sooner or later we must begin to turn it around.

Business bankruptcies for the 11 months of 1980 are up 16 per cent to 6,051. The breakdown by provinces is rather interesting. For Newfoundland the increase in bankruptcy is up by 131 per cent for the last 11 months; for Prince Edward Island, 100 per cent; Nova Scotia, 30 per cent; New Brunswick, 48 per cent; Quebec, 27 per cent; Ontario, 18 per cent; Manitoba, 60 per cent; Alberta, 16 per cent; and Saskatchewan, that socialist province where free enterprise should be doing so badly according to members to the right, bankruptcies were only up 5 per cent. Surely there is a message therein. If this is not a crisis I do not know the definition of the word.

Earlier I referred to the masterpiece of "MacEachiavellian" manipulation by the Minister of Finance in his contribution to this debate. A few days ago I asked a question in the House and the minister was not here, as he is not here now. But the policies that we are getting were obviously predicted when he said in Toronto on July 10, which quite remarkably was just shortly before interest rates began their dramatic rise again—a continuous rise after a period of decline, that he himself found:

—some affinity for the Keynes who wrote: But beware! the time for all this is not yet. For at least another hundred years we must pretend to ourselves and to everyone that fair is foul and foul is fair; for foul is useful and fair is not. Avarice and usury and precaution must be our goods for a little longer still.

Well, I do not know if the policy is one of precaution, but it is certainly a policy of avarice and usury. I would hope and pray that we are not struck with it for another hundred years.

The Minister of Finance said he was unsure with respect to some things which were to happen in some of his predictions. But I wonder whether foul is fair or fair is foul, and which of those is coming true. Is it the long-term policy of the government, or have ministers just stumbled into it in the short run?

I have before me an interesting article which appeared in the December 8, 1980, *Financial Times*. It is an article written by Don McGillivray. It is with respect to workers. Nobody tonight has decided to blame workers. I suppose they will get into that if the economic crisis which the country is now facing continues for much longer. There have been advertising campaigns blaming the unemployed for some problems. They are trying to cut some more people off UIC benefits. Ministers of the government say they are reviewing these programs. But in the meantime people continue to get cut off and they receive worse treatment than they were getting from the bureaucracy just a short time ago. I suppose that organized workers, in particular, will start being hit by spokesmen of the government and perhaps by members of the official opposition in the next while. But the article to which I referred reads:

The National City Bank of New York has just published an updated comparison of wage rates in a dozen industrial nations, including Canada, in 1979.

Average hourly compensation in Canada is listed, in terms of U.S. dollars, at $8.34. Only Britain and Japan have lower factory wages. The comparable figure for the U.S. for example, is $10.16. German factory wages average $11.56 an hour. France is about $9. Italy is about the same as Canada.

The article continues later on:

A failure of real wages to keep pace with other countries is nothing to boast about. Factory wages have run parallel to those in other parts of the economy. This means that Canadians had relatively little advance in their standard of living in the 1970s. The failure of real wages to advance is one reason, of course, for the stagnant economy.

But it does indicate that the blame piled on labor in the mid-decade was misplaced. The scramble for better wages was a symptom, not the cause, of Canada's economic problems.