

we would be able to decide whether it makes some sense and whether some benefits would flow to the Canadian economy which would allow for the generation of the kind of wealth necessary to meet our commitments both in the short term and in the long term. But that is not clear.

Let me outline a picture of what is happening in this country. The average weekly earnings in Canada have risen by 10.6 per cent this year over last year, but the consumer price index has risen by 11.2 per cent. Obviously, from those two statistics, one can draw the conclusion that the taxpayer, given that the consumer price index has risen more rapidly than wages, will be strapped even further both in terms of buying consumer items and in terms of paying taxes.

With regard to the banks, general loans for this year have risen by 17.8 per cent over last year. But at the same time as general loans are rising by 17.8 per cent, housing starts are down by 16.2 per cent, which shows that the money loaned by the banks is not being loaned for housing, but for other purchases. Take the figures I have mentioned and place them with the bankruptcy rate in the farming community, which is up almost 79 per cent, up almost 17 per cent domestically and up almost 17 per cent in the small business sector, and it is obvious that the money being loaned by the banks at the current high rates of interest is in effect undermining the economy. It is not providing the stimulus upon which to build a more stable economy and provide better employment opportunities.

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If we examine these four things we see that if wages increase only 10.6 per cent, the consumer price index 11.2 per cent, bank general loans 17.8 per cent and housing starts go down by 16.2 per cent, there will be fewer dollars in the consumer marketplace to buy the products that the vast majority of people must buy if the economy and employment levels are to be maintained.

An hon. member gasped a little when I started to speak. I would say to him that it is important to have an understanding of what is happening in the economy before approving of the government going into the money market for additional funds.

It is clear that the total number of dollars available for consumer purchasing in Canada will continue to go down. The total number of dollars that banks make available for loans will rise and so the indebtedness will rise. The total number of dollars available to buy the goods and services that people must buy if the economy is to regenerate itself simply are not in the market.

If we examine the manufacturing capacity of this country we find that it stands at 78.5 per cent, down from 79.4 per cent last month and 84.8 per cent a year ago.

That is the measure of the other component factors; as there is less money in consumer purchasing power, as we owe more and more to the banks, as there is a decrease in housing starts, as the size of the labour force grows over the number of jobs currently available, then we can only conclude that the ability

of the economy to generate sufficient dollars to meet the ongoing expenses, is under severe pressure.

I understand the need of the government to borrow on an ongoing basis, Mr. Speaker, in order to meet current account problems which it is hoped will be offset by increased revenues as the year goes by, but when it comes to the total amount of money spent, then we find that the economy is not moving ahead fast enough to offset the additional expenditures.

That would not be so bad if the government could point to an over-all plan of attack for the development of the economy over the next four or five years, or if it could say that we are going to be able to generate new wealth in the economy and in the process accumulate the necessary cash flow to meet our indebtedness. The government has no such plan, however. There has never been a five-year expenditure program and revenue program put forward by the government. It is clear from the way expenditures are going at the moment that more and more available consumer dollars will be spent on energy and less on the purchase of consumer products. If that is the case we can anticipate that there will be an even further decline in employment opportunities, a further decline in manufacturing capacity usage, a larger increase in the number of people who have to borrow in order to maintain their standard of living and a further increase in the number of bankruptcies.

With that in mind, Mr. Speaker, I feel it is necessary that the government place before us some kind of program showing how it proposes to bring about the recovery of the economy it has systematically allowed to be undermined.

Mr. Crosbie: Right on!

Mr. Deans: This is a matter of grave concern, Mr. Speaker. This is no frivolous matter; it is the very essence of our reason for being here. It speaks to what is going to happen to the young people who are Pages in this House and who will be looking for other jobs shortly. It speaks to the problems of my children and those of other people and whether they will be able to earn a living and be able to provide for themselves in the future. This is what we would all like to see.

No doubt my son is watching this debate tonight. I insist upon him doing that; it is a punishment for being my son. I know as he watches tonight he ponders his future and thinks about what he will become. There is not a sufficient number of seats in this House to accommodate the children of all members so there will have to be other jobs for them on the outside. They cannot all find jobs in the press gallery, so somehow or other they will have to find other work. If we do not lay the groundwork for economic stability now, those young people will not be able to find employment that will yield the revenue they will need to maintain the standard of living we have established for them and which we hope will be provided for generations to come.

I am disappointed that the government, through this minister, has chosen to introduce the borrowing authority bill at this time. I would rather the government would bring the budget in earlier and set out a program year by year, not just when it