

September over last September, meaning that this September there were 1,762 bankruptcies in Canada.

The day I asked the question, the Minister of Finance (Mr. Crosbie) rose in his place. He did not propose any particular solution to this problem, easier loans, or any of the other possibilities that were used in the campaign of the Conservative party during the election, to tide over or to assist any of these business failures.

I would like to say that the Bank of British Columbia, in contrast to a number of other chartered banks, allows a preferred rate of one-half of one per cent below the prime rate for small businesses.

The "small business" Conservative election platform was reiterated on that day. All the minister did was beat his breast about how his party represented and reflected the interests of small businesses. He went on in his usual and rather tiring way of blaming the previous administration for all the problems of the current government.

To say that the minister and the government appear absolutely poverty stricken when it comes to new ideas having to do with a solution to our economic problems is perhaps trite, but it is true. It is also true that in Canada over the past 16 months interest rates have almost doubled. They have gone from about 8 per cent to 15 per cent or 16 per cent today. This has put thousands of people out of work. The risk is that thousands more will be out of work.

I can give some examples. In Vancouver over 600 plywood workers were out of work over a month ago, and 11,000 temporary and permanent lay-offs in the auto industry in Ontario and Quebec. It appears that Canada is indeed in economic chaos due to high interest rates. It is incumbent upon members of Parliament to speak up about these matters. I can give all kinds of evidence, and this is not NDP rhetoric. I received wires from councils I represent, including the council in the municipality in Coquitlam. There are others from the president of the IWA. I could also go into the *Globe* story of November 9 entitled, "Sudden Downturn Hurts Lumber Producers in B.C. Interior". I will read the first paragraph:

● (2235)

High U.S. interest rates—

Reflected in Canada

—have finally brought the long-expected downturn in the lumber market. It has been so sudden and severe that producers in the B.C. interior are faced with serious production decisions in the next week.

It is not confined to the United States, because we slavishly ape the interest policies of the United States. I can go on.

Here is the National Association of Tobacco and Confectionary Distributors. They write all members of Parliament and they say in part:

The government's policy is indefensible and it is hurting the service trades which must stock large inventories of essential consumer items. The government's policy cannot but cause hardship for Canadian businessmen and consumers alike.

Adjournment Debate

So the effect is widespread, this concern over high interest rates is even reflected in the ranks of the government party. Here is a story which appeared this morning: "High Interest Rates Agony for Free-Enterprise Tory Backbenchers", according to which a number of Tory backbenchers have expressed their concern, including one from British Columbia, the hon. member for Prince George-Bulkley Valley (Mr. McCuish), who, it is reported, says that businessmen in his riding are going to their lawyers and accountants to find out the best way of going broke.

Another, the hon. member for Edmonton-Strathcona (Mr. Kilgour), admits, we read, that he would like to see Mr. Bouey replaced when his term ends in February. Well, I do not think he is alone there.

Then the article talks about the hon. member for York North (Mr. Gamble) and the hon. member for Niagara Falls (Mr. Froese) who is in the contracting business. The hon. member for Lincoln (Mr. Higson) is reported as saying that people want some reassurance that if they make any kind of contribution—known as "biting the bullet" by the Minister of Finance—there will be some assurance in the long run that things may get better.

I do not think the examples I am quoting are highly partisan at all. I think there are a great number of horror stories coming up from time to time and that we have only hit the tip of the iceberg. I expect that the reply to my question, when it comes, will be along the lines: wait until you see what goodies are revealed in the budget. I am looking forward to it, since the budget is coming rather close to Christmastime.

I do not know why the government would choose such ineffective and unpopular policies, policies which were criticized when they were in opposition, unless it is to prevent another Coyne affair. If they change economic policies against the advice of the governor of the Bank of Canada, he may quit; we may see another ugly Coyne affair, and the government may wish to avoid it and let him quietly disappear in February. That may be a reason. Or perhaps they have no other views on the subject. Other people have, though.

I should recommend a reading of the publication of the Canadian Institute for Economic Policy put out in July, and the four or five excellent suggestions which Don McGillivray made in the Southam Press. On November 1 he talked about closing gaps between Canadian and American interest rates, discouraging borrowing abroad, lowering borrowing to reduce the current account deficit overseas, and more moderate interest rates to create new jobs and encourage investment. It goes on and on and on. I do not have time to go into these details in the seven minutes allotted to me but it is essential the minister reconsider this policy.

Canadians are not begging, they are demanding that changes be made. The government is taking a stubborn and wrong-headed approach. I believe most people in Canada agree with me. The minister is asking Canadians to bite the bullet, but I believe the bullet has misfired. I think there is a strong risk of it striking a lethally vulnerable part of our Canadian economic anatomy.