

The Address—Mr. Keeper

economy. I would like to deal with high interest rates as they affect small business. It is mentioned in the throne speech that the ceiling for loans under the Small Businesses Loans Act will be raised to \$100,000. I would say that that is a simple bookkeeping change, in the sense that it just takes account of inflation as it affects the size of the loan for which one would be eligible under that program. It does not affect the interest rate for small business since the rate under that program is the prime rate plus 1 per cent, and in this context we should note that business bankruptcies for the first two months of 1980, according to the Department of Consumer and Corporate Affairs, are up as compared with the same period in 1979, by 24.8 per cent. These bankruptcies are directly attributable to the very high interest rates and to poor economic management.

Some hon. Members: Hear, hear!

Mr. Keeper: That is why I think that Geoff Hale, spokesman for the Canadian Organization of Small Businessmen, described the promises in the throne speech as a sick joke. Yet the government promises more. It promises other measures of assistance.

I must say that when I read the throne speech, it indicated to me, first of all, that the government itself recognized the inadequacy of simply raising the ceiling on loans for small business. It also suggested to me that the government did not know what it was doing, or at least it did not know what it was doing while it wrote the throne speech. It suggested to me that perhaps the Liberal government was going to reveal some of its unreleased portions of the election platform from the last election campaign. But I must say that last night's economic statement, the budget, or whatever you wish to call it, indicated that, no, it was not the election platform in the last election campaign that the Liberals failed to reveal but rather that it was borrowed from the Tory budget. The reference here to other measures must have been a reference to temporary small business development bonds. I must say that those bonds are welcome to the extent that they are an attempt to provide some relief from interest rates as they affect small business, but I think that approach to interest rates will prove to be better in theory than in practice. The theory is that small business will have access to loans at one-half of the prime rate plus 1 per cent. I think that practice will probably indicate that it is more likely to be above the prime rate, and of course the question is what is the purpose of the loans? I understand them to be for expansion but not for normal activities such as inventory. Also, the interest rates set under such loans are at the discretion of banks, which means that the government really does not have control over its own policies. There is no real assurance that the policy objective which the government set up in establishing these bonds will be achieved. A better approach would be sane, economic management, and a general policy of lower interest rates.

The federal government reveals itself in its throne speech and in the remarks made last night as having no effective small business policy. That is a tragedy because such a policy would, at the minimum, produce 100,000 jobs a year, as

testified to by the Canadian Federation of Independent Business. The NDP, by way of contrast, does have a small business policy, and while I will not go through its details this evening, I would recommend it to the government for action.

I would like to indicate also that the rising energy costs will have a very detrimental effect on small business as well. So we must once again stress that there is no room for unjustifiable increases in oil prices, and by that I mean energy dollars which leak from the energy account, which are used by the government for other purposes than energy projects and by corporations for investments other than energy. Those kinds of increases in price are, in my view, unjustifiable and damaging to the community as a whole and to small business in particular.

The very high interest rates which we have now, also have an impact on employment. In this country and in the United States we have what is clearly recognized as a recession. The government in its throne speech mentioned that it will be expanding its employment programs which will be helpful where they apply, but I would be surprised if they are of a sufficient size to be adequate. Also, they are really no substitute for a policy and for management of the economy which would lead to full employment.

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Also the throne speech makes reference to women. There is much in the speech which is worthy of praise, but also there are other parts which I think require closer scrutiny. The government has made a commitment to affirmative action in the public service, but it failed to mention the private sector, certainly in the throne speech. If the government has any intentions with regard to contract compliance which affects the private sector and the employment of women, it has not said that. In fact a good reading of the speech indicates that the government has no intention of doing anything in the private sector—I think that is a major failing with regard to achieving the objective of equality in the work place for women.

As well, there is no mention of providing adequate and affordable day care which obviously is also necessary if women are ever to take their full and equal place in our society.

Some hon. Members: Hear, hear!

Mr. Keeper: There is mention of pensions, and whatever increase in pensions is forthcoming certainly is merited, deserves praise, and is long overdue. But I suggest that it will neither be adequate nor will it remove the many inequities which continue to exist in the area of pensions as they affect women. Women constitute a greater proportion of the unemployed than men. If the government is to have a real policy for women, then it must place a much higher priority upon things such as unemployment insurance, manpower training allowances, and outreach projects.

The Speech from the Throne mentions violence against women. The government is going to take action in this area in order to protect women against violence. I think that is a good