

rence of such situations as that concerning Astra and its subsidiaries, including Re-Mor.

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[English]

FINANCE

MEASURES TO LESSEN EFFECT OF HIGH INTEREST RATES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is also for the Minister of Finance who must have noted the economic depths his policies are creating in this country with bankruptcies in the business sector up 22 per cent and personal bankruptcies up an astounding 19 per cent over last year. Translated into human terms, this means that in Ontario, for example, 25,430 jobs were lost in the first nine months of this year as a result of plants having to close down because of the economic climate created by the minister and his government.

Would the minister indicate what plans he has to lessen the impact of the high interest rates on such companies to ensure that we will not have this continuing high level of bankruptcies? For example, has he decided to bring in a type of insurance plan which would insure business loans in the future similar to the way CMHC loans are insured?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, in light of the dire and doleful picture painted by the hon. member of the economy in general, it would be worth pointing out that in this year the Canadian economy has created in excess of 200,000 jobs, and that that employment creation record compares favourably with any country in the OECD group. I do not think there is any benefit, either to him politically or to the country, to distort and exacerbate the situation, as he has in his question. I ask him seriously to consider whether it is fair to address those doleful facts in a distorted way at the present time.

The answer to the question is no.

Mr. Stevens: Madam Speaker, it is not whining; those are Dun & Bradstreet brutal facts of the number of corporate corpses that have been left on the battlefield in Canada as a result of this minister's high interest rate policy.

Some hon. Members: Hear, hear!

Mr. Stevens: Madam Speaker, my supplementary question to the minister as he sits dreaming in this country is, would he explain to the House, if things are going so well in Canada, why Ray Richardson, for example, of the New York state commerce department has gleefully told the *The New York Times* that Canadians have invested in 35 states in his country, winning in his state alone, the state of New York, 50 companies that have created 3,700 jobs, as a result of Canadians fleeing from this country because of the economic climate structured by his government?

Oral Questions

Mr. MacEachen: Madam Speaker, I cannot believe that an informed commentator would make the kind of statement the hon. member has quoted.

Mr. Crosbie: You had better learn.

Mr. Stevens: I have it here.

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NATIONAL ENERGY PROGRAM

POLICY RESPECTING DEVELOPMENT PROGRAMS— NEGOTIATIONS WITH PROVINCE OF ALBERTA

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is also addressed to the Minister of Finance. The minister has blamed today and on many other occasions in this House international economic problems, OPEC oil pricing and high interest rates in the United States for all the economic problems of this country. Yesterday the Economic Council of Canada released its report. Last year its report referred to two driving forces for the Canadian economy, the first of which was the world economy, and the second our own domestic energy development. This year, because the minister has torpedoed that energy development with his budget, we are left with the world economy and he knows that it is in trouble.

This party, the Canadian Manufacturers' Association and many experts, including, for example, the former chairman of the National Energy Board, and now the Economic Council of Canada, have urged him to make changes in the National Energy Program brought in under his budget. What proposals is he proposing to put forward now to unwind the deadlock between Alberta and Ottawa in an area which is completely under his control—no excuses—in the whole area of energy development in this country?

● (1440)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member in the preamble to his question has stated that I blamed this on some force outside of the country. It is not my intention to blame individuals or groups but to draw attention to the fact that Canada is part of an international trade and payment system, that Canada is part of the world economy, and it would be foolish for Canadians to look at their own problems unless they look at them within that international perspective.

That is what I have been attempting to do in explaining the very dramatic increase we have had in interest rates in this country. They do not come from policies pursued in Canada. They are the result of a dramatic impact arising from policies pursued in another country, which have the same general effects in all industrialized countries as they have in Canada. I make that comment in answer to the rather long preamble which the hon. member introduced into his question.

I agree with the hon. member it is important that we have Canada's energy house in order. In the budget and in the National Energy Program we have put out a very comprehen-