

Economic Conditions

tive party voting the same way, and on many positive suggestions we have put forward it is those two parties voting together. When small businesses complain about interest rates, they complain about the Tories and then about the Liberals. Many of the policies of the previous Parliament and of this Parliament have been identical. I think it is a serious situation.

What is needed? I think the suggestion put forward by the leader of our party today and by our financial critic can be summarized in a very short statement, that there has to be some immediate relief for those who are suffering because we are in a crisis situation. It cannot be allowed to amble along and cure itself by chance. There are people who can no longer afford decent food, clothing and shelter, which are basic rights. We proposed a cost of living tax credit in order to control some of the more outrageous price increases. We suggested a fair prices commission. If those suggestions are not acceptable, we challenge the government to get out and relieve the crisis situation. They are not written in stone, but if they are unacceptable the government should do something about the crisis. It is that simple.

● (0550)

In the long term we have gone through a tremendous period of Liberal government. It was described as ten lost years in the last election. In many areas the control of this country has fallen to foreign-owned multinational corporations. Until something is done about that control, and who will control the basic direction of our economy, we will not resolve these programs. We will continue to export natural resources and capital out of the country in the form of interest payments on loans and dividends to foreign corporations. We will never see the maximization of economic benefits for Canadians. They will always occur as we ship copper ore to Japan for processing, as we ship iron ore, coal, natural gas, and all other commodities sent out of the country in an unprocessed form. We are shipping away jobs. The government has talked about an industrial strategy, but that is all it is at this point. When will it arrive?

The automobile industry is flat on its nose. We see research and development, production capability, and new fuel-efficient cars lodged firmly in the United States. What is happening here? Where is the industrial strategy of our government? Another area of very serious concern is the extent of corporate concentration in the country. The situation exists where a smaller and smaller number of firms control more and more of the Canadian economy. The government promised competition legislation to deal with mergers before they occur and to deal with some of the more serious flagrant violations of what normally is assumed to be a competitive situation. A competition law is extremely important. In long-term restructuring we need an industrial strategy to turn the country around and provide benefits to Canadians. To solve the crisis on a long-term basis, we need a competition policy to stop the concentration of the economy being in the hands of a very few people.

The hon. member for Skeena (Mr. Fulton) dealt with the fishing industry. I think this is typical of the problems within

government which have created the crisis. The government said some years ago that there were too many boats chasing too few fish. It opted for a licence program which was basically a \$5 fee, up to something which cost \$7,000 per tonne. In order to obtain a reasonably-sized fishing boat, one had to pay in excess of \$50,000 to buy the licence and then probably another \$50,000 for the vessel. We ended up with artificially-created costs. A lot of people went out and borrowed to purchase fishing vessels. In the process of trying to recover more income from fishing, it was necessary for the fishermen to update their boats by purchasing expensive gear to increase their fishing capability. Once the government realized that there were a smaller number of vessels with greater fishing capabilities, it cut down on the amount of time they could fish. The government capitalized even further, and the inevitable happened.

The government created a situation in which fishermen on the coasts are suffering severely right now. There are high interest rates on high debts, and the fishermen are being asked to put their homes up as security. I sit down with those remarks.

Some hon. Members: Hear, hear!

Mr. John Gamble (York North): Mr. Speaker, this debate has been raging for ten hours. It is to deal with a genuine matter of urgency, within the provisions of Standing Order 26, which calls for immediate and urgent consideration. The subject matter is the unreasonably excessive increase in the rate of interest which must be paid for loans in Canada. Those interest rates currently exceed 18 per cent at prime rate.

These high rates of interest were explained by the Deputy Prime Minister and Minister of Finance (Mr. MacEachen) as being required for one of two reasons, or perhaps a combination of both. He told us that they were necessary in order to retard inflation. He advised us that it was absolutely essential to maintain these high rates in order to save the declining value of the Canadian dollar. In sustaining his initial point, the minister referred to his budget which was introduced in the House on October 28. He told us that within this document there was not a reference to an increase in taxes because he recognized that tax increases in fact would create a spur to inflationary pressures.

While it may be acknowledged that the tax rates imposed under the Income Tax Act have not been increased, that is not the end of the matter. What is a tax but a form of extraction by government from its citizens without their concurrence? What we have is a variety of extractions from the citizens of Canada taking a number of forms. The premiums payable under the Unemployment Insurance Act are substantially increased for both employees and employer; that increase is a form of taxation. Approximately \$400 million, which otherwise would have formed a deficit of the government as a consequence of the operations of the Canada Post Office, is to be recovered as a result of increased postage fees at a time when the bill before this House related to this matter establishes a monopoly for the corporation intended to be estab-