

Bankruptcy

and leave. If this thing does not go, they are going to go bankrupt.

● (1730)

All they are asking is that this government move in with a policy that is realistic. This government knows deep down in its very soul that if those plants do not start producing the necessary supply of oil required for this country, the country will indeed go further into bankruptcy because we are importing oil and taking money from the taxpayer to pay for it. Thus we are pushing further and further into debt every man, woman and child in Canada.

A small businessman, and I stress small, could not function if he borrowed the way the present government borrows, because he would go bankrupt; he would be forced into receivership. This government cannot go bankrupt because they have nowhere to go. But they are bankrupt, and that is indicated when the foreign exchange value of the Canadian dollar starts to drop. Bankruptcy occurs because the government is defaulting on its debt. So what we are doing now, Mr. Speaker, is we are borrowing money from foreign sources, the New York exchange, the European monetary fund, anywhere we can get it, to prop up the Canadian dollar so we can buy back our dollars that are floating around all over the world because nobody wants them. That is what is causing interest rates to go sky high. How ridiculous can you get?

The first thing you hear from government benches, Mr. Speaker, is that hon. members over here stand up and start talking but have no concrete suggestions for the government to follow. I would like to make a few. Nobody is going to hear but maybe one person over there might hear. Does it not seem feasible to hon. members on the government side that if we allowed the two megaprojects to go ahead with an investment of \$20 billion, that will immediately take the pressure off the Canadian dollar? Does it also not seem feasible that if there is a national energy policy in place that creates an economic climate in our country that will attract investment, people will be clamouring to invest their money in Canada because we are so richly endowed with every resource imaginable from water to oil? If people are clamouring at our door to invest and we say we do not want any more money invested, it seems logical that they will say that they will not charge us 15 or 20 per cent interest but will drop it down to 12 per cent or 10 per cent—because money is just another commodity.

All we have to do is look at the economic climate in Switzerland, where a few years ago—and this is well documented; all members have to do is go to some of the departments and read the information they have—there was a negative interest flow to invest in Switzerland. In other words, you paid them to take your money because everyone was clamouring to put their money in Switzerland. And it is logical. Interest rates in Switzerland are below 5 per cent even with inflation. Yet this government tells Governor Bouey: “Go ahead, Bouey; just lace it to them. We are going to cut off that spending spree that Canadians are on.” Then when you turn

on the TV, the credit card companies say: “Don’t leave home without it”! Who is kidding whom?

We are creating an inflation mentality across this country. People are scrambling to buy now at 20 per cent interest because next month it might be 25 per cent. And the minister says the Bankruptcy Act is really not relevant to what is happening in Canada today! Believe me, Mr. Speaker, it is.

Let us look at something else just briefly. The government’s fiscal policies are obviously damaging the country. The NEP is damaging the country. And what is happening out there in the business community? I have seen healthy small businesses which were growing and prospering going into bad management practices because the inflation mentality has now hit them. They are saying: “Buy now, stock up now, we will overstock for spring, because, by God, by the time we get stock in to sell it will have gone up 10 or 15 per cent and it is better for us to make the money”. In most cases, for the past three years it has been that way, but now bankruptcies are coming in. They are overextending themselves because of poor business practice. The day of reckoning is at hand, and we have absolutely no one to blame or to look to but the present government because they have been in office for 12 years. They got us into the mess we are in.

Surveys have been done showing that the average working family are in debt to the extent of three times their annual earnings, excluding home purchases, and the figure is increasing all the time. In my riding of Athabasca, Mr. Speaker, the bankruptcy rate is starting to increase and can be related directly to the NEP brought in last October. This is a policy adopted by this government and it is hurting the gutsy little entrepreneur who will invest his money. When plants are set up you have to have services in place, because if you do not the turnover rate in those plants is so high that costs go up again. Schools have to be built, municipalities must expand, hospitals have to be built.

Not one small businessman in northeastern Alberta can plan for the future today. He cannot sit down and forecast, he cannot buy properly. He must be able to do this, because if he makes a small mistake he will go bankrupt. Why? Because of the national energy policy established in October.

● (1740)

I want to address the area of farm bankruptcies. I have expressed my feelings on the oil industry, but one cannot eat oil. The people in our country from coast to coast who live on the land, work the land and provide the bread and butter for Canadians who sit down to three meals a day, if they are lucky, are being shafted by the government’s high interest rate policy. The farmer depends greatly on borrowing on the strength of his inventory. What is the inventory of a farmer? It is the basic stuff which goes on our tables, whether he is a hog producer, a cattle producer, a grain producer, a chicken farmer or whatever.

A grain producer cannot move grain to market because the government will not accept a plan to upgrade the transportation facilities put forward by the province of Alberta. He has it