

could continue to buy big cars. It sent signals to the car manufacturers to continue building big cars. Meanwhile, Japan and Germany, not having the resource cushion that we have and having governments that are more direct and honest in matters of economics, immediately put their oil to world price and the best brains in their country to designing efficient engines and cars. Now, eight years later, they are whipping our industry because they made hard decisions.

I am sure it is difficult for the man in the street today to appreciate that he has lost his job in the automobile industry because ten years ago a Liberal government made a decision about the price of oil. Any Canadian who fails to appreciate the relationship between government decisions and subsequent injury, makes a fatal mistake.

Generally speaking, Canadians do not spend enough time on their politics. Perhaps that is because the country is so big. Other countries such as Greece and Great Britain take their politics seriously. I wish it were so in Canada. I believe that if ordinary Canadians understood more about the relationship between government decisions and the subsequent economic effects on them individually, they would pay more attention to all of us as politicians. It gets down to the fact of politicians being able to fool Canadians almost always!

Some hon. Members: Hear, hear!

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I take pleasure in being able to spend the remaining 11 minutes speaking to Bill C-84 which extends the limits of borrowing under the Small Businesses Loans Act.

I was somewhat amused by the puerile interjections made during the speech of my hon. friend, the hon. member for Lethbridge-Foothills (Mr. Thacker), by the hon. member for Vancouver East (Mrs. Mitchell) and the hon. member for Winnipeg-St. James (Mr. Keeper). Their remarks reminded me of Alexander Pope's perceptive comment—"A little learning is a dangerous thing".

Again we have seen why the New Democratic Party is so dangerous. While we are extending the borrowing limits of this bill or, rather, the security to a lender to \$1.5 billion, we really are not addressing the problems that are faced by the business community.

● (2150)

First of all, we need to address the greatest need of the business community, which is an atmosphere of stable planning for itself. No business can thrive, prosper or plan for the future if the future is filled with insecurity. The kind of insecurity which has been built into the economy by this government is destroying the planning and building capacity of our business community, particularly the small business community.

I would like to refer to a couple of previous Liberal budgets which were designed to send signals to reach the business community to plan for the future. First of all, I would like to refer to the budget presented on November 18, 1974, by the

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then minister, Mr. John Turner. On pages 1426 to 1427 of *Hansard*, in relation to MURBs he stated:

I am confident that this measure will attract a significant amount of private equity capital into the construction of new rental housing.

... will provide the impetus necessary to increase the housing stock in this country at a healthy pace and fulfil our commitment to place decent accommodation within the reach of every Canadian.

In 1974 that was called an incentive, an initiative; but in 1981, under this present budget, it is called a loophole. I refer to the same budget where the then minister was speaking of depreciation write-offs. On page 1427 of *Hansard* of November 18, 1974, Mr. Turner stated:

... in the area of business investment, I wish to announce the extension of a measure which has made a major contribution to the strong investment performance, which is improving our productivity, enhancing supply, creating new jobs and helping to sustain the Canadian economy...

This measure is the two-year write-off of expenditures on new machinery and equipment for manufacturing and processing in Canada—

In 1974, that was called a business investment incentive; but in 1981, that is called a loophole, and it is called unfair.

In 1976, the then minister of finance, referring to capital cost allowances, said, "After making an extensive review of the Canadian system of capital cost allowances, the main conclusion reached is that it is basically sound. It is not out of line with systems in other industrialized countries." That was an incentive in 1976; but today that is a loophole. The point I am trying to make is that business people have come to all of us, expressing their desire to invest, wanting to look into the future in order to do their planning, and asking, almost in anguish, "What are the intentions of government in this area?" I think that builders have come to all of us and have asked, "What is the future of MURBS? Will the government extend the program to December 31 of this year?" I suggest that it is the atmosphere of instability and insecurity which is killing the incentive, the drive and the zeal of the small-business man today.

Second, what we need and what business needs is a redirection of government goals! I would like to underscore what has already been stated to us tonight by the hon. member for Lethbridge-Foothills. He said that the government formerly acted as a policeman, as a regulator, to ensure that the economic actors in our economy were functioning well. At one time the government was the policeman. Today it is a principal actor in the community. I point out that at one time the government did most of its borrowing out of the country and dabbled with borrowing within Canada. However, the last Canada Savings Bonds changed all that. On the first day of the sale of those bonds in my community, one vendor alone sold \$1.5 million worth. That should be considered, let alone considering all of the other vendors who sold bonds to a total of \$12 billion across Canada. That has robbed the business community of a potential \$12 billion borrowing pool which ought to have belonged to it by right. Therefore, the small-business man can no longer go to the private investor and borrow \$50,000 or \$100,000 because that money has now been lent out to the government. I might add that when the