

gallon. Many people called it the 18-cent election. Now we are faced with a price rise of close to 18 cents per gallon for this year, if not more, and we have no way of knowing how much it will rise next year and in the years following. This makes a farce of the present government's support of the NDP's non-confidence motion against our government last year.

There are two things which Canadians must know about our energy situation and which we ought to know as soon as possible. All of us want to know just how much oil and gas prices will rise. We also want to know and be assured that there will be sufficient supplies of oil and gasoline to meet domestic requirements now and in the future. Neither the Minister of Finance nor the Minister of Energy, Mines and Resources has told us whether those contingencies are to be met by the borrowing authority requested in this bill.

Another of my great concerns is the small business community in Canada. Small businesses provide approximately 60 per cent of all the jobs held by Canadians. Yet, small businesses are the most vulnerable and the least protected segment of our economy. When interest rates soar small businesses are the first to suffer. When we were the government, the interest rate for small business loans was about 11.5 per cent. When the rate climbed to 17 per cent and 18 per cent, the point spread was, in many cases, greater than the profit margin of many small businesses in Canada and they were forced out of business.

There is one other point which must be made while I am on the subject of small businesses. The vast majority of people employed by our small business sector are people who do not have professional or technical skills. When the shop or store for which they are working goes out of business, these people cannot easily or immediately be absorbed into the manufacturing or industrial labour force. In many cases they become part of our growing army of permanently unemployed.

That is a vital reason why we must provide financial assistance on a continuing basis for our small business community. The only answer provided so far by this government is to increase the funds available under the Small Businesses Loans Act. That is not the answer. It has been shown that there have always been sufficient funds available to small businesses. That is not the problem. The problem is that they have had nothing in the way of a cushion against the effects of wild fluctuations in interest rates, such as those we have experienced in the past few months. Availability of capital is one thing; whether or not one can afford to borrow is yet another thing.

Another excellent case in point is the government's own Federal Business Development Bank. Recently it shut down its operation, not because of a lack of funds—the Federal Business Development Bank has money to lend small businesses—but because the rate of interest which it is required to charge was so high it was no longer of any advantage to a small business to borrow the money at that price for the purpose of inventory, expansion, or for many other purposes.

Small business people have told me that over the past few months they have been working 12 to 16 hours per day just to

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pay the interest on the principal of their debts. When I consider the government's request for authority to borrow \$12 billion, in addition to the \$2.7 billion borrowing authority which it already possesses, I have to think that this would be an excellent opportunity to initiate something in the way of meaningful legislation to protect our small business community. The small business act is simply not enough, and that is a proven fact.

What we need is a more comprehensive act which takes into account the traditional vulnerability of small business to changes in the economic climate, both in Canada and in markets that have a direct effect on our small businesses. We have seen recently that even some of the larger, multinational corporations can get into serious financial difficulties, and we have also seen that there are times when it is expedient for government to bail them out of their difficulties.

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I am thinking, of course, of the Chrysler Corporation. Canada's share of the loan guarantee to keep Chrysler alive is \$200 million, and we will not know for a while whether this is really a cure or just a short-term remedy. I believe this was a legitimate risk venture for our government to undertake, because something obviously had to be done to protect the thousands of jobs that were hanging in the balance.

However, Mr. Speaker, I also have to think of how important it would have been to our small business community if \$200 million had been made available to them over the past few months to provide guaranteed small business loans at an affordable rate of interest. It is easy to calculate the loss of jobs through the failure of a large industry, where 10,000 or 15,000 jobs can be wiped out by one failure. It is not quite as easy to assess the over-all effect of thousands of small business failures where the employment figures are more in the order of 10 or 15 jobs per business, but, the effect on our economy and on our small towns and villages is every bit as great.

Before I move on, Mr. Speaker, I would like to draw attention to clause 2(2) of Bill C-30, which would authorize the government to borrow "in a currency other than that of Canada." There are two aspects of this that are disturbing to me, and I am sure they are equally disturbing to many of my colleagues on this side of the House. The government says this provision is to ensure greater certainty of being able to borrow this much money.

This subclause implies that the government is concerned that it will not be able to raise this money from Canadian sources, and I believe this raises the question of whether the government is already so deeply in debt that all domestic sources of funds are exhausted.

I would also remind hon. members that the spread in the value of U.S. and Canadian currencies is an important factor in authorizing the government to borrow heavily in the U.S. money markets. The premium on U.S. dollars is about 15 per cent, and when the interest charges are added, borrowing in the United States is an expensive proposition. I really do not