

Oral Questions

pollution damage is sought by Canadians as injured parties. Is Canada prepared to take action under IMCO to ensure that pollution accidents such as that which occurred involving the *Kurdistan* recently are not repeated, and that offences committed within the 200-mile limit will be tried before Canadian courts and not left to courts of the flag?

Mr. Lang: Mr. Speaker, I think the hon. member knows that Canada has been in the forefront of discussions in IMCO to try to secure worldwide standards that are satisfactory. We will continue to do that. Of course, that will not necessarily avoid certain incidents from occurring. I think it would be wrong to prejudge the facts at this point in time.

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HEALTH AND WELFARE**REDUCED INSURANCE PREMIUMS FOR NON-SMOKERS—
GOVERNMENT POSITION**

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, I have a question for the minister of state responsible for fitness and amateur sport. In light of a recent study which was carried out in the United States revealing that the accident rate for non-smoking drivers is half that of smokers and, further, that some U.S. insurance companies are now offering discounts on life insurance premiums to non-smokers who exercise regularly, what steps or studies has the minister taken or what action will she take to persuade the Canadian insurance industry that this low-risk group should get some special consideration on their automobile and life insurance premiums?

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, perhaps this is a good time to inform the House of the divisions of lifestyle between my ministry and that of the Minister of National Health and Welfare. The Minister of National Health and Welfare has responsibility for such matters as nutrition, alcohol, drug abuse, tobacco abuse and obesity. In my department, we have responsibility for fitness. Therefore, we have the one positive in the lifestyle area.

The best thing that has been done in my department's operation is to inspire people, through Participation, to a healthier lifestyle. That has been done at very little cost to the Canadian people. I take this opportunity to commend them. At \$500,000 a year there is \$8 million in return from the public media of this country which is free of charge. I believe statistics show that Canadians are improving enormously in fitness. The hon. member's question has given me a chance to say that Canadians are now becoming fit.

[Mr. Munro (Esquimalt-Saanich).]

FINANCE**RATE OF BANKRUPTCIES VIS-À-VIS UNITED STATES**

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I would like to address a question to the Minister of Finance. The reputable firm of Dun and Bradstreet of New York recorded 7,919 commercial failures in 1977. In Canada, in 1978, however, the rate of such failures amounted to close to 6,000. On a month to month basis, Canada suffered from 458 bankruptcies last month, compared to 559 in February, 1978, in the U.S. With heavily disproportionate scales of economies, the rate of business failures seems to be the same. This is regrettable, though it is a correct reflection of the policies of economic mismanagement pursued by the government.

Does the Minister of Finance have any explanation for this alarming and dismal rate of business bankruptcies in Canada, and what action does he plan to take to reverse this disastrous trend?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, that is part of the gloom and doom approach to the problem. In a market economy there are some people who try and do not succeed. In Canada, the rate of tax for small businesses is much lower than it is in the United States. I suggest the hon. member look at the document I tabled the night of the budget, November 16. Despite the fact that many more social services are available to citizens of Canada, the rate of tax for both citizens and corporations is not higher than in the United States.

Mr. Darling: In the absence of the Minister of Industry, Trade and Commerce, I will direct my question to the same minister. Of the business failures indicated in my earlier question, the manufacturing component in the February total of 1978 represented 4 per cent, compared to the present 11 per cent in February, 1979.

Considering the importance of manufacturing in our economy, and taking note that failures in the manufacturing sector are taking place at an increasing rate, what assurances can the minister advance to instil some form of confidence in our manufacturing sector, and can he now take concrete steps to stimulate investment in this vital sector of our economy?

Mr. Chrétien: Mr. Speaker, the hon. member has not looked at the situation. For example, two weeks ago Statistics Canada released the fact that the rate of utilization of the capacity of production in Canada increased to almost 90 per cent in the last quarter of 1978, the highest since 1973. In addition, in the last 12 months the manufacturing sector of the Canadian economy created 159,000 new jobs in that sector alone, a record over previous years. The hon. member does not want to look at the positive aspects of the Canadian economy.

DEVALUED CANADIAN DOLLAR—PRICE OF TEXTILES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is to the Minister of Finance: it concerns prices as they relate to the falling Canadian dollar.