

Instead of doing something about spending he has increased it by more than \$50 billion.

The record is not very good. The public debt has increased under the Prime Minister by two and a half times. It will rise to over \$100 billion this year. The public debt has increased faster under this Prime Minister than under any prime minister in the history of Canada. If he wants records, that is certainly one! The Prime Minister is sliding this country downhill faster than Steve Podborski can move on the slopes. I wonder what the government must see happen in this country before Liberal members and the Prime Minister realize what they are doing to Canada; I wonder what catastrophe will have to happen.

The flight of capital leaving this country is about \$6 billion already. This capital provides jobs, builds industries and creates productivity elsewhere. As the hon. member for Athabasca (Mr. Shields) has pointed out a number of times, our drilling rigs are leaving the country, while the Minister of Energy laughingly says there are still a great many of them working. Those that are working, will finish their jobs, that is for sure, then they will head where they will get a fair deal, some return on their money. We have no hope of attaining self-sufficiency in oil at the rate we are going. There is not a proper climate in this country to invite people to invest their money here.

There is practically nothing being done to help agriculture in western Canada. There is nothing but talk, yet more than a million people are unemployed. Inflation, the national debt and the civil service are all increasing. Borrowing is also increasing. We are not paying our debts, instead we are borrowing another \$14 billion. What will it take to awaken Liberal members opposite to an awareness of what they are doing to this country? They wonder why some people in the west talk about separation. Westerners are talking about it because this government will not listen or see. I understand that when the Minister of Energy went out west he had to have four RCMP plain-clothes officers to guard him. What was the cost of this protection? It is strange that a minister, while travelling in Canada, would require Mounted Police to guard him. It is probably the first time in the history of our country such a thing has occurred. If the minister would do his job and provide a fair deal, there would not be this situation. The minister has said he cannot obtain a deal because Alberta will not negotiate. Alberta made an offer which was turned down. The government is quite prepared to pay \$38 and \$40 per barrel for oil from other countries, but not to pay \$20 and \$25 for Canadian oil which would help to create jobs.

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There is also the matter of our shameful foreign debt. To illustrate what I am trying to say, I will go back in history. At the end of World War II in the year 1945, Canada had a foreign debt of \$7 billion. At that time Canada had a ship-building industry which at the height of its production turned out one 10,000-ton freighter every two days, an aircraft industry which turned out Lancaster bombers, Mosquito fighter

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bombers and Hurricane fighters, and an automobile industry which was the second largest in the world. We had huge natural resource reserves and energetic people who wanted to work, all of which assured industrial expansion without the fear of creating an unmanageable demand for imported raw materials.

In 1945 Canada had the potential to become a net exporter of capital. By 1978 when Canada should have become a credible nation comparable to Switzerland, West Germany and Japan, it was still following the system of sending out raw materials and buying back the finished product, which has the effect of creating jobs elsewhere while our own people live meagrely, on relief, or on unemployment insurance. By 1977, in a time of peace, Canada had accumulated a debt of \$106 billion. How can anyone compare those figures and be proud? Other countries, such as Argentina, had a debt at the end of 1976 of \$6 billion; Brazil, \$14 billion; South Korea, \$7 billion and Spain, \$6.7 billion, but Canada had a debt of \$106 billion. Why is that?

It is, I suggest, because Canada has had a sustained orgy of successive foreign expenditures, of buying elsewhere and of creating jobs elsewhere while our own people cannot find jobs and are walking the streets. The Canadian government has had a deficit in all but four of the last 28 years. If the government cannot balance its budget, it borrows the money to pay its debts. How can we create a surplus in Canada with the government operating in this fashion?

Increasing deficits retards growth and creates unemployment. A nation's strength is based on the extent of its external holdings, but the Prime Minister and his government measures our strength by the extent of our external debts. The more debts we have the more prosperous are the people according to the Liberal Party. In 1976 we sent more than \$4 billion to the United States to cover the interest on our debt. The amount has risen to \$6 billion, and we are not even paying on the debt itself. No other business could survive in this way.

Let me go back to the end of World War II. At that time West Germany and Japan were weakened by the war. Large portions of their vital industries had been destroyed by bombs. Much of the Japanese land was held by other countries such as Manchuria, China and Korea. Their foreign assets had been expropriated without compensation. However, none of these setbacks stopped the people of those countries. If these countries had followed Canada's policy of sending out raw materials to be made into finished products, they would have been on the rocks as well. They decided to get to work and create production in their own countries.

Japan and West Germany have rebuilt their industries and today are creditor nations from which other countries borrow money. In 1945 they were almost at the bottom of the barrel when Canada was close to the top with only a debt of \$7 billion. Now Canada's debt is approaching \$200 billion and these countries are lending money to other poorer countries. The situation will not improve unless the government changes its policies. But the government is asking us to continue with its same old policy of borrow, borrow, borrow.