

to give it second reading and send it to committee where it can be looked at in greater detail. When both ministers from two different administrations produce precisely the same bill, why can we not send it to committee? And even there, there should not be a great deal of discussion.

● (1710)

I know personally the people intimately involved in the development and drafting of this bill. I was involved in another part of the department in federal-provincial conferences at which the content of this bill was discussed ad infinitum and ad nauseam with the provincial governments. There is agreement at the provincial level that this is good legislation. There is agreement among the parties in this House that this is good legislation. It is about time that we got on to the business of putting this bankruptcy legislation through all stages. It is good legislation. It is well drafted legislation. It is needed. It is legislation which by any standard this House has already agreed to.

I will not take any more of the valuable time of this House. I ask hon. members to put aside the temptation to use this debate as a vehicle for throwing in other items dealing with the economy and other matters. For example, tomorrow is an opposition day when we can talk about interest rates and all kinds of things. We do not have to do that with regard to this legislation. This legislation should be passed at second reading right now.

Mr. Jack Shields (Athabasca): Mr. Speaker, I suggest that the parliamentary secretary stay and listen. He might learn something. The parliamentary secretary said that we were engaged in spurious discussion, in unrelated discussion. I find it incomprehensible for a member, particularly a parliamentary secretary, to stand up and say with a straight face that the economy is in no way related to the Bankruptcy Act. It is very apropos that the government brought in this bankruptcy legislation at a time when there is an all-time record of bankruptcies in the farming community, in small businesses and in personal bankruptcy. As a member of this House, I will stand at every opportunity to bring to task the government members, particularly the parliamentary secretary, for the disastrous way they are treating the Canadian economy and causing hardship from coast to coast.

The parliamentary secretary said that the civil servants and others who worked on this bill, but particularly the civil servants, did so for the past nine years. I would ask the parliamentary secretary how many civil servants run a business, have to borrow money to operate on their receivables and are on the verge of going down the tube because another company has gone bankrupt? I can tell you, there are not very damn many. How many of them even run a business or even have a concept of knowing what it is like to run a business? How many feeding at the government trough, working at 35 per cent capacity, have ever felt the pangs of going into personal bankruptcy? Not very damn many.

I would now like to get to my main remarks, and they are related to this bill. When the minister introduced the bill at

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second reading, he asked the opposition to avoid playing politics. He said the bill is not related to the current economic problems facing Canada. He stated that a new Bankruptcy Act will not solve this country's economic problems because it is a legal question and is unrelated to inflation and interest rates. What nonsense! How can he say that bankruptcy is unrelated to interest rates and the economy? I do not know where he gets that kind of information. Maybe I will pass some of it on.

An hon. Member: Is he an economist?

Mr. Shields: He is not a very good economist, if he is. I would like to place some figures on the record. In 1980 there were 224 farm bankruptcies compared to 125 in 1979. No figures are available for 1978. We can rest assured that if the Minister of Agriculture (Mr. Whelan) has the figure, it will not be made public in this House. In the first quarter of 1981 there were 75 farm bankruptcies. We will exceed the 1980 figure. In excess of 300 farm families will be forced into bankruptcy this year.

Let us look at the number of business bankruptcies. I am talking about small businesses and those a little larger. If they are as big as Chrysler or Massey-Ferguson they do not have to worry about going bankrupt. The government will dip into the barrel with the taxpayers' money and bail them out. I do not see the government coming to the rescue of the small farmer or small businessman. Let us see what is happening there.

In 1980 there were 6,595 business bankruptcies, 5,648 in 1979 and 5,646 in 1978, a definite trend. In the first quarter of 1981 there were 2,044 business bankruptcies. Therefore, there will be close to 10,000 business bankruptcies in 1981. That is clear to anyone who wants to dig into it a little bit.

Let us look at what is happening with personal bankruptcies. It is very easy to obtain credit. There is no onus on the individual granting the credit. We are creating a credit society. As the hon. member for Bow River (Mr. Taylor) said earlier, we are at the point where people are starting to borrow money to pay interest on funds borrowed to pay interest on money they borrowed previously. They reach a point where they can no longer function on a daily basis because they are being hounded by the same creditors who consolidated their loans with a new loan at between 18 and 25 per cent, thereby forcing them into bankruptcy.

I ask hon. members to consider for a moment the pain, sorrow, humiliation and utter defeat an individual must go through when faced with a bankruptcy, particularly a personal bankruptcy. In 1980 there were 21,025 personal bankruptcies, 17,892 in 1979 and 15,938 in 1978. In the first quarter of 1981 there were 6,152 personal bankruptcies. We are looking at between 25,000 and 30,000 personal bankruptcies for 1981. In fact, the figure will probably exceed 30,000.

● (1720)

One might say in respect of personal bankruptcies that they are not so bad because they only affect one man, his wife and perhaps his children—just one family. We have counsellors for