

the bankruptcy process because this government is going to be in power for another two or three years.

With the bankruptcy rate running rampant in Canada, the proportion of people who can be adversely affected by the dilemma is growing. In an over-all sense, the bankruptcy rate has grown by close to 15 per cent in the past year. This almost equals the 15.2 per cent increase in food costs. This insolvency rate breaks down into a number of categories. Farm bankruptcies totalled 224 in 1980 and to date in 1981 have reached 75 in number. Business bankruptcies totalled 6,595 in 1980 and to date in 1981 have reached 2,044 in number, and personal bankruptcies totalled 21,025 in 1980 and to date in 1981 have reached 6,152.

Ontario and Alberta had the highest rates in the country. Business bankruptcies in Ontario were up 17.9 per cent and consumer cases were up 24.8 per cent. Albertans saw an increase of 17.1 per cent for businesses and 26.6 per cent for consumers. It is not surprising that these two provinces are the hardest hit. In fact, I am quite surprised that, taking into account the quality of Liberal economic policies, these rates are as low as they are.

● (1600)

The people of Ontario are taking note of why this is happening. Most of it is directly caused by the national energy policy, if it can be called a policy. I have a document here prepared by the Nisku Businessmens Association in Alberta entitled "The Impact of the Federal Budget and National Energy Policy on 41 Oil Service Companies in the Nisku Business Park". They also explain how it affects the province of Ontario as a result of this ridiculous energy policy which should be withdrawn immediately. I will just quote a few of the statistics here to give an idea of how many other firms are moving toward closing and bankruptcy. It states:

The uncertainty resulting from the federal budget and NEP has caused a sharp decrease in rig activity in Alberta. This can be seen by looking at questionnaire results from five drilling companies who informed us of their expenditures.

From the following charts it can be seen that 1980 operations were not seriously affected by the budget and NEP. This is due in part to the fact that many contracts did not expire until the end of the year. However, expectations for 1981 are extremely poor. Proposed expenditures on drilling rigs have dropped 56 per cent and the actual number of rigs has dropped 52 per cent. This is only for drilling companies in the Nisku Industrial Park. Results would probably be similar for the industry in general, in Alberta.

This same can certainly be applied in Alberta and on into Saskatchewan, Mr. Speaker.

The report also gives the effect on branch offices as follows:

Of the responding companies in our survey, 49 per cent indicated that they had some type of branch office located in Alberta or northern British Columbia. Some of the locations included Grande Prairie, Calgary, Lloydminster, Edmonton, Brooks, Fort St. John and Fort Nelson. Most of the branch offices were involved in either sales, manufacturing, repair, storage or supply.

Out of the existing branch offices, 40 per cent will be shut down as a result of the budget. Of those that remain, some will have cutbacks in staff or will curtail expansion.

You can see the course we are on and the government is determined to keep us on that course. Maybe some day we will

### *Bankruptcy*

get an explanation why they ever introduced this ridiculous policy in the first place. I refer to this National Energy Program. It is obvious to everyone how disastrous it has been in the country, at least to everyone but this so-called Liberal party which is determined to pursue it.

We have a further explanation of the loss of operations in Canada which reads as follows:

One of the implications of the budget was the movement of business across the border to the United States. Prior to the budget's announcement, none of the firms responding to our survey had operations located in the U.S. As a result of the government's actions, 34 per cent of the companies indicated they would be moving a portion of their business outside of Canada. This movement will involve from 10 to 50 per cent of the firms total operations with an average of 30 per cent.

Perhaps we will not have so many bankruptcies to deal with, Mr. Speaker, because there will be fewer and fewer businesses in this country as they move to the United States where they can survive. The report goes on as follows:

It should be noted that most of these figures result from company forecasts. This may change as the situation concerning the budget changes.

Just to read the brief summary of results of this excellent document, Mr. Speaker, they point out:

Total sales volume in 1980 dropped from an expected \$256,450,000 to \$218,300,000, a drop of \$38,150,000.

Total sales volume in 1981 is expected to drop from a forecasted total of \$277,710,000 to an estimated \$174,850,000, a drop in sales of \$102,860,000.

That is disastrous, Mr. Speaker.

It goes on to state:

Drilling companies in the Park are forecasting a drop in the 1981 number of rigs from 42 to 20.

Forty per cent of branch offices will be shut down.

This will mean lay-offs, Mr. Speaker, The summary continues:

Thirty-four per cent of survey companies will be moving a portion of their operations to the United States.

This is when the Ontario people want to start listening, and some of those Ontario Liberals had better wake up. It states:

Loss of revenue to eastern suppliers as a result of purchase cutbacks of the responding companies was \$1,470,000 in 1980 and will be approximately \$20,000,000 in 1981.

This just covers one area in Alberta, so the figures can be multiplied by at least 20. It goes on to state:

Revenue loss to Alberta suppliers as a result of purchase cutbacks of the responding companies was approximately \$2,500,000 in 1980 and an expected \$30,000,000 in 1981.

Loss of employment in the surveyed companies will be 255 in the Nisku Park and 173 branch and field operations throughout Alberta.

In the face of all this, the Liberals have the unmitigated gall to tell us we are on the road to self-sufficiency and this policy is going to be good for Canada.

The Liberal government has to be blamed for the increase in bankruptcies in Canada and for bankrupting the country. What more can Canadians expect? The Grits cannot even keep their own house in order. If they are not careful, they will bankrupt the government through their policy of promoting and stimulating a huge deficit of over \$121 billion. It is costing