

for the minimum wage just because the employer cannot afford to pay more. The social benefits are often less than adequate when compared to those enjoyed by employees of the federal government, provincial governments and the large corporate sector which passes the cost on to the consumer. That consumer is often the small businessman who has to buy his raw materials and products from the corporate sector.

The small business sector is almost totally Canadian-owned. There is no problem with foreign control there. And the small-business man always invests all his profits in the business. I said earlier that I personally had started four businesses, all of them successful and still operating. In no instance did I take any profit out of a business, apart from a monthly wage for myself and my wife, who was always active in them with me. For 20 years everything was plowed back into the business. The only time I ever made a profit was when I turned one business over to the employees who worked for me, when I decided to seek election or when we sold out and a profit was realized. If I were to turn the clock back and the budget we now have was in place, I would think twice about selling a business or building for the future as I have done for 20 years because the minister would be there next day confiscating 50 per cent of the profits that I had stored up.

Will these measures entice people to leave the comfort of a government or a corporate job and test their skills in the free marketplace? I do not think so. In good conscience I could not even advise my own children to start a business and test their ingenuity in a competitive manner.

I do not think a small-business man starting out in the climate that this government has created would be rewarded for the effort of building a new enterprise, of being innovative and inventing new products as was done in the businesses I started, and the effort of creating employment which will help stimulate the economy and improve conditions in general.

We are tearing the heart out of our total economy. Over 50 per cent of the gross national product is created by the small business sector. That is the sector which is efficient, productive and innovative. Unless we realize what we are doing before it is too late, we will destroy not only our small business sector but the total economy.

I do not want to appear philosophical about it but no matter how many times we change the Constitution or entrench rights, there is no personal freedom or individual right in a country that does not have economic freedom. One only has to read history and look around the world to realize that. If we destroy our free market economy, as the latest budget would, we destroy our personal liberty and freedom.

Some hon. Members: Hear, hear!

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, I want to take this opportunity to put my feelings regarding Bill C-84 on the record, not because I am an economist or small-business man but because I think it illustrates the way in which the government has approached economic matters. My views on the bill are probably representative of those of many Canadians.

Small Businesses Loans Act (No. 2)

The bill is pretty flimsy—just two pages. That is not just a cheap trick that I am trying to use, but what that demonstrates is the nature of the legislation which offers loans to small-business men at prime rate plus one per cent which, as my colleague indicates, is nearly 20 per cent. I do not know what small business could operate in today's economy while paying 20 per cent interest.

The bill also gives a small token increase in the amount of money that can be borrowed, and clearly that is just a catch up for inflation. The bill is just a token response to tough problems. I say "token" because it is not going to do anything fundamental to create a climate in which small business can prosper or in which the employees of a small enterprise can make a good living and enjoy the good life.

Why do we have this token response, this flimsy legislation? It is because of the approach of the government toward economic matters in general. It has locked itself into an approach concerning the economy which completely abandons any attempt to manage the economy. Today it has adopted what is popularly called a monetarist approach to the economy. This approach has been recently rejected in Manitoba, for example, where the Conservative government, which followed this monetarist approach to the letter, was thrown out by the people.

● (2030)

Mr. Fulton: Turfed out on their ear.

Mr. Keeper: The Conservative government was turfed out because people will simply not put up with abandonment of economic responsibility by government. While it is the Liberal government in office today which continues that kind of Tory attitude toward the economy, it is clear from the record—

Some hon. Members: Oh, oh!

Mr. McDermid: Talk about cheap tricks.

Mr. Keeper:—that the short lived Progressive Conservative government followed the same kind of monetarist policy, as is well illustrated by the fact that interest rates rose at least four times during its administration. Therefore, it followed the same monetarist route. We know the Tories to be monetarists, the people know them to be monetarists, and that is why they threw Lyon out of office. That is why Margaret Thatcher, another Conservative in Britain, suffers the lowest esteem of any government leader in memory. That is why Ronald Reagan, who is also a Conservative monetarist, is likely to be a one-term President. People will simply not put up with this Conservative approach to economics.

Mr. McDermid: How is Foot doing these days?

Mr. Keeper: There is no forgiveness for the fact that a Liberal government follows these Tory approaches to economic matters.