

interest rates up to 14.75. As a consequence, the devastation in the part of Canada I come from, when both the grain growers and the oil and gas industry were already having problems, was really terrible.

As we know, the interest rate most people pay is a floating rate. There are no fixed rates—well, there may be a few now. I guess you can get some mortgages now for a year or two, or maybe even up to five years on some fixed rates. I would not like someone to come along and challenge me on that. If you want to pay enough, you might even be able to get some longer terms than that, but it would be up around 10 per cent. A one-year floating mortgage or even one for six months is down to less than 6 per cent. The cost of going for a fixed rate is enormous.

My purpose today is to try to persuade the government that for them to repeat what they did the last time is absolutely unacceptable in Canada.

I do not want to be mean about this, but you know that the Minister of Finance at the time, Minister Wilson, claimed—even bragged—that the government had deliberately set out on a program to kill inflation. They created this kind of economic and monetary policy in Canada because they were going to get inflation down.

Honourable senators, you know what they are up to now. The minister said earlier today that they had made a joint announcement with the Governor of the Bank of Canada—I don't know why they would be doing it jointly with him since they are responsible for what he does anyway. We have to keep going back to that.

There was a dispute between the government and the governor of the bank once about 30 years ago when Mr. Diefenbaker was the Prime Minister, and they fired him. We went through all the motions. He got to the Senate here. He wanted a platform. I was around here then, you know. He wanted a platform so he could at least have an opportunity to say what he wanted to say about that situation. The Senate allowed the then Governor of the Bank of Canada to have his say. As soon as he did that, he resigned. Senator Barootes is old enough to remember that, I am pretty sure.

Senator Barootes: I remember it very well.

Senator Olson: I think he can remember that.

Senator Barootes: It was an everlasting disgrace, I remember.

Senator Olson: Listen to this: "everlasting disgrace". The biggest disgrace the people of Canada have known in the past few years is the brutal and ruthless way this government has treated a whole lot of people in Western Canada with its monetary policy. That will be to your disgrace for as long as you are here, and I will tell you why. This generation will never vote Tory again. They got caught in what you did to them when the economy was bad enough anyway.

Senator Barootes: May I ask you a question, Senator Olson, on that subject?

Senator Olson: Any time.

Senator Barootes: You have always favoured low interest rates, low inflation, and a low Canadian dollar.

Senator Olson: Reasonable interest rates.

Senator Barootes: These terrible things that the Bank of Canada has done have resulted in an inflation rate of 1.3 per cent and the lowest interest rates we have had in 20 years,

Senator Frith: And the highest rate of unemployment; the highest rate of bankruptcies.

Senator Barootes: And a low Canadian dollar which helps our exports. What is it that you are complaining about? Are you complaining about the 22 per cent interest rates that you had?

Some Hon. Senators: Jobs, jobs, jobs!

Senator Olson: Senator Barootes must have something wrong with his hearing, because I just said to him that I am afraid of what the government is going to do now. You have a reputation.

Senator Barootes: You are worried about the future.

Senator Olson: You bet I am, and there are a lot of people in this country who are worried about the future of this country. They are so worried about the future that they do not spend money. The government keeps wondering why the economy does not pick up. It is because anyone in this country who has any opportunity to increase the spending in retail, which is where it has to start, is not doing it. You do not understand that. That is part of the economic necessity of getting an upturn in the economy.

I know thousands and thousands of people in the part of Canada I come from who are just as worried as I am, and maybe a little bit more worried, because this governments has stated—I was just getting into that when I was so rudely interrupted by your speech.

Senator Barootes: I apologize for interrupting. I did not realize you were saying anything. Now, may I ask you another question?

Senator Olson: No, you cannot. There is no use in taking any questions from Senator Barootes because he does not ask any questions. He gets up and makes a speech about something that happened ten years ago. He never asks any questions. I would really like you to make a speech about it after I am finished.

As I was saying, the fact is that there has been what they call a joint statement by the government and the governor of the bank that they are going to beat inflation down to 2 per cent. They got there. I will acknowledge that, but I want to tell you that the price was too high. We have the highest bankruptcy rates in the world.