

Oral Questions

Mr. Pepin: Anyway, some opposition members said a moment ago that there were no Liberal members at that particular meeting. I just wanted to make the public aware of the fact that there had been meetings with ministers and with Liberal Members of Parliament within the regional caucuses last Thursday. I just wanted to make sure this was known. These representations were heard by the Minister of Finance. The other day the minister responded to a question put by the hon. member from Hamilton, when he indicated his willingness to look into some of the suggestions made to him. Obviously this will continue in the future.

REQUEST FOR CHANGE IN GOVERNMENT POLICY

Mr. Edward Broadbent (Oshawa): Madam Speaker, if verbal fog were an economic solution, the contribution of the minister would have removed all economic problems for Canadians a long time ago. The Minister of Finance alluded to an effort that would be made by the banks to help home owners. That has already been turned down by the banks, I tell the minister. If the people who were protesting out in front of this building on Saturday have to renew their mortgages either this year or in 1982, the average increase will be \$200 to \$300 a month, and considering we have lost, since August alone, 50,000 jobs in lay-offs, when will the government simply stop pursuing its old policy and start listening to the people of Canada?

Some hon. Members: Hear, hear!

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, as everyone knows, there were measures taken in the budget at least to help mortgage renewers at this time. Since then there has been a substantial reduction in the interest rate; six points have been shaved from it in recent months. Obviously that situation is improving. If the government feels that more help is needed, the Minister of Finance will announce that in due course.

DIRECTION OF ECONOMIC POLICY

Mr. Edward Broadbent (Oshawa): Madam Speaker, I shall ask the minister the question again. Even with the current interest rate people renewing their mortgages will have to pay \$200 to \$300 a month more, which means a \$200 to \$300 a month decline in their standard of living. Considering that in the budget itself there is a forecast increase in unemployment not only for 1982 but for 1983 and 1984, and that there has been no change in the direction of economic policy, does the government ever plan to listen to the people of Canada, or will it go blindly on and do to this country what Margaret Thatcher has done in the United Kingdom?

Some hon. Members: Hear, hear!

● (1430)

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, obviously when the Minister of Finance wrote his

budget he was aware of all these facts. He was also aware that wages in Canada have increased for a great number of people and that there are a number of people who could not purchase homes and consequently do not face the problem of increased mortgage rates. These people should not be penalized in comparison with those people who thought they could afford homes at that time. Many in the first group will tell us that if interest rates should continue to go down they will obviously be in a much better position to face the problem they have now.

Mr. McDermid: Except those who have renewed their mortgages at 21 per cent.

Mr. Pepin: This is the general policy of the government—to reduce interest rates. Obviously some of the measures which are taken to achieve that objective are hurting some people, but generally speaking I think Canadians agree with the objectives of the budget.

Some hon. Members: Oh, oh!

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FORESTRY

REQUEST FOR ASSISTANCE TO INDUSTRY

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It is now estimated that by year's end the forest industry in the country will be down by 50 per cent, which will have the potential of 300,000 direct and indirect workers being unemployed for most of next year. Since this phenomenon is directly related to the government's deliberate policy of neglect, to its high interest rate policy and to its most recent budget policy, could the minister, who likes to believe in major thrusts, tell me whether the depletion of the \$4 billion western resource fund is one of the major thrusts he has in place for helping this industry which is faced with a very serious problem? From where will he get the money to do the things he usually says he will do for the industry, in finding new markets and securing a resource base, if there is no longer any money left in the Western Development Fund?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, if I recall the budget correctly, it set out some very important ways in which the Western Development Fund will be used.

Some hon. Members: Where is it?

Mr. Gray: Moving more specifically to the hon. member's question, he seems to overlook the fact that the problem faced by the forest industry across Canada is due principally to the decline in the housing market in the United States and its interest rate policy, something over which this government certainly has no control, although as I have said in the past, many hon. members of the official opposition seem to have