

therefore move, seconded by the hon. member for Northumberland (Mr. Hees):

That the Minister of Finance take heed of the remarks of the Minister of Agriculture and immediately institute reasonable rates for small businesses, and particularly those in the agricultural business.

**Madam Speaker:** Is there unanimous consent for this motion?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

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### NATIONAL MENTAL RETARDATION WEEK

SUPPORT FOR AFFLICTED PEOPLE—MOTION UNDER S.O. 43

**Mr. Jesse P. Flis (Parkdale-High Park):** Madam Speaker, I seek the attention of all hon. members of this House on a matter of urgent and pressing necessity, under the terms of Standing Order 43. Whereas this week of May 11 to 17 is officially proclaimed National Mental Retardation Week and whereas this same week has been proclaimed "Mental Retardation Awareness Week" in many municipalities across Canada, I move, seconded by the hon. member for Brandon-Souris (Mr. Dinsdale):

That this House urge all Canadians to offer their understanding to mentally retarded individuals and to become aware of their potential and capabilities so that the mentally retarded can enjoy as full a life as possible and share in the work and recreational experiences of our society.

**Madam Speaker:** I am sure the House shares the sentiments expressed in this motion and will do whatever is possible, but I do not think it can be taken under Standing Order 43.

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### MUNICIPAL AFFAIRS

LOW COST LOANS FOR MUNICIPALITIES—MOTION UNDER S.O. 43

**Mr. Cyril Keeper (Winnipeg-St. James):** Madam Speaker, interest rates which affect the cost of capital borrowing by municipalities across this country are a matter of urgent and pressing necessity because they increase the property taxes of every Canadian. In the Ottawa-Carleton regional area, for example, only one and a half months ago the executive committee was talking about a borrowing rate of 14½ per cent for their capital necessities. Today the rate is over 16 per cent. Therefore it will cost three and a half times as much by the time they pay back the debt. Winnipeg is another example. Under present interest rates, the average householder will have to pay \$30 to carry the capital costs of local public works. I therefore move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the government immediately implement a program of low-cost loans for capital purposes to municipalities.

**Madam Speaker:** Is there unanimous consent for this motion?

### Oral Questions

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

● (1415)

## ORAL QUESTION PERIOD

[English]

### THE ECONOMY

EFFECT OF HIGH INTEREST RATES ON SMALL BUSINESSMEN AND FARMERS

**Hon. Flora MacDonald (Kingston and the Islands):** Madam Speaker, my question is to the Minister of Finance. It concerns the government's interest rate policy and the highest interest rates in Canada's history. No one needs to be told that these interest rates are causing untold hardship, but the minister considers the hardship in cold statistical terms rather than in human terms.

**Some hon. Members:** Question.

**Miss MacDonald:** I want to ask him whether he is aware of the anguish among the many small businessmen who are being forced into bankruptcy by the high interest rate policy, and in fact who are lying awake worrying at night because they must tell their employees in the morning they will have to lay them off because they cannot pay them? Is he aware of the distress among hundreds of farmers who are being forced to sell their farms which have been in their families for generations, because of the high interest rates? The minister seems to be interested in taking his pound of flesh in human terms—

**Madam Speaker:** Order.

**Miss MacDonald:** I would like to ask the minister—

**Madam Speaker:** Order. Order, please. I do have to ask the hon. member to ask a question.

**Miss MacDonald:** I should like to ask the Minister of Finance what he proposes to do in the face of these disastrous events which are hurting so many people, and will he please not tell us that it is beyond his control?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I am quite conscious of the effect of high interest rates on various members of the community, including the groups which the hon. member has mentioned. I am also aware of the even greater danger which will fall upon the over-all Canadian economy and all the people in the country unless we persist in our efforts to reduce over-all inflationary pressures. That is the chief enemy on which the hon. member ought to be focusing. High interest rates are symptoms of this high inflation and, unless we succeed in reducing inflation, much more difficult situations will occur.