

dies this year for just those new housing units in the amount of another \$34 million.

There is a considerable amount being done, and we will continue to do everything we can within the resources available.

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#### FINANCE

**Mr. Jim Peterson (Willowdale):** Mr. Speaker, my question is for the Minister of Finance. The minister has confirmed again this day that he is preoccupied with only one economic policy: inflation.

When will he look at what his high interest rate policies and his high dollar policies are doing to Canadian consumers and to Canadians who have to invest in Canada to make us competitive in global markets? The French and the Germans are paying 6 per cent interest rates for their money, and we are paying 13.5 per cent.

When will he think about what it is doing in terms of our high dollar cutting off our exports? When will he think about what our high interest rates are doing in terms of exports themselves and our manufacturers who have to compete in world markets?

When will the minister get off this monomaniacal policy of high interest rate?

**An hon. member:** Where were you between 1980 and 1985? Where were you, Jim?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, the hon. member has made some valid points. I agree with him that we must be concerned about our competitive position. We must be concerned about the level of interest rates, but we also have to recognize that there is a very close relationship between the level of inflation and the level of interest rates. That is what we are trying to do, and we are trying to draw that to his attention.

Let me remind him that before he was on the other side of the House he had a somewhat different point of view on these matters. On May 14, 1981 he said this is about the whole question of interest rates and inflation: "If hon. members think there is a magic fix or a quick solution, there is not".

**Some hon. members:** Oh, oh!

#### Oral Questions

**An hon. member:** Who said that?

**Mr. Mulroney:** Did you say that? Did you say that, Jim?

**Mr. Lewis:** It must have been David.

**Mr. Mulroney:** You stand up and apologize right now.

**Some hon. members:** Oh, oh!

• (1450)

**Mr. Peterson:** Mr. Speaker, how soon the hon. minister forgets.

**Some hon. members:** Oh, oh!

**Mr. Peterson:** I remember so well his words in those years criticizing high interest rates policies. He was dead set against them. We stand on principle today.

**Some hon. members:** Oh, oh!

**Some hon. members:** Hear, hear!

**Mr. Speaker:** The hon. member for Willowdale will put his question.

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#### BOEING CANADA

**Mr. Jim Peterson (Willowdale):** Mr. Speaker, my supplementary question is another matter involving economic mismanagement of Canada's affairs. It is directed to the Prime Minister.

In 1986 the government received \$90 million for the sale of de Havilland to Boeing. Will he confirm today that the government is paying over \$150 million to Boeing, in effect meaning that this deal will have cost Canadians over \$60 million?

Will he confirm at the same time that this payment to Boeing involving a \$51 million grant for the new Dash-8 has no guarantees of jobs in Canada and absolutely no guarantees that research and development and design have to be done in Canada?

In other words, Boeing could take its money, pack up at Downsview and move to Seattle. What is he going to protect Canadian jobs and to protect Canadian workers?

**Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs):** Mr. Speaker, the hon. member was not around in 1986 when the negotiated sale took place.