

Cost of Living

from the job of being a responsible member of parliament, trying to solve the problems fairly as they confront parliament. That is the duty of us all. Just because a problem appears insoluble is no reason to throw it out the door. I know the Minister of Finance (Mr. Turner) finds inflation insoluble, and would like to get it thrown out the door. But we, as responsible members of parliament, will not let him sweep it out the door. Just because this matter involves two religious sects, and discussion of religion is taboo, we are supposed to let the Minister of National Health and Welfare sweep it out the door. That is wrong in principle, Mr. Speaker. Giving everybody equal treatment is what democracy is all about, not the granting of privileges to some and the withholding of privileges from others.

We all cherish our freedom. We know that in introducing any insurance plan, unemployment insurance, Canada Pension Plan or what-have-you, we forego a little freedom for the security we get in return. But I know that some people value their freedom more than others. Many people have not taken out social security numbers. A very good friend of mine who contributes to the Canada Pension Plan has not taken out a social security number, and knows he will not be able to get one cent from the Canada Pension Plan when he retires. That is his choice. I notice it is four o'clock, Mr. Speaker.

Mr. Speaker: I will now put the motion for the adjournment of the debate.

[*Translation*]

Mrs. Albanie Morin (Louis-Hébert): Mr. Speaker, I move, seconded by the member for Shefford (Mr. Rondeau), that the debate be now adjourned.

Mr. Speaker: Is the House ready to carry the said motion?

Some hon. Members: Agreed.
Motion agreed to.

MOTION TO ADJOURN UNDER S.O. 26

[*English*]

THE CANADIAN ECONOMY

INCREASES IN COST OF LIVING AND INTEREST RATES

Mr. Speaker: Pursuant to special order made this day the Hon. Leader of the Opposition (Mr. Stanfield), seconded by hon. member for Don Valley (Mr. Gillies), moves:

That this House do now adjourn.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, the Clerk of the House has just reminded me that under the rules I have 20 minutes. It has often been said that if you cannot say what you want to say in 20 minutes you cannot say it at all, and so I will do my best within that period. I suppose the Minister of Finance (Mr. Turner) and perhaps even the Prime Minister (Mr. Trudeau) will do me the courtesy of hearing what I have to say in due course.

• (1600)

One of the factors that is causing us such concern today is the further rise in interest rates that has been announced and the indication that this is a return to a traditional approach. This approach, of course, involves higher costs for borrowers, higher costs for those who are doing business and has traditionally led to a slowdown in our economy, particularly in the slow growth areas of the country. What worries us all so much is that we feel we have been all through this before. The increase in the bank rate will work its way through the system, that is the various structures of interest rates, up into the long-term mortgage rates of interest.

The Minister of Finance earlier this afternoon made a great deal of the fact that the banks have given an assurance, for the time being at least, that they will not increase their mortgage interest rates. But banks provide only part of the mortgage funds in this country, Mr. Speaker. There are other institutions, too, and this increase will work its way into the longer-term rates and will be reflected in the mortgage interest rates charged to many home owners as well as others who wish to borrow money in future. This will lead not only to a vast increase in cost to home owners, but if it continues will eventually reach a point where there will be a slowdown in construction. This has happened frequently before as a result of this kind of policy and will, of course, exacerbate the housing problem. I recognize that the government is quite proud of the housing starts this year, but a continuation of the escalation in the rates of mortgage interest will produce, as it always has in the past, a slowdown in construction. The same applies in the case of business.

Earlier this week we had a warning of the increase in the seasonally adjusted rate of unemployment to 5.5 per cent, the same as it was last March. Earlier today the Minister of Finance said that he had foreseen the figures yesterday and today when the program was developed that was announced by the Prime Minister. I do not know whether he also claims to have foreseen the increased rate of unemployment, seasonally adjusted or not. Surely, these figures are a warning to all of us of what has happened as a result of higher interest rates, what has happened in slow growth areas and what has happened particularly to the fight against regional disparity. The effects of the fight against regional disparity which was launched a few years ago by this government were negated by the slowdown in the economy of the nation. This was deliberately brought about by the minister of finance of that day and the prime minister in order, as the Prime Minister has said, "to lick inflation".

If we hope to make any real dent in the extent of regional disparity we must have an expanding national economy to serve as a basis. If the minister foresaw all this, what new measures have been announced by him, by the Prime Minister or by the Minister of Regional Economic Expansion (Mr. Jamieson) to offset the effect of higher interest rates on areas of slow growth? What new measures has the minister announced to ensure a solid base for the reduction of regional disparity if he foresaw all these increases?

I would not want to question the word of the minister, but I find it difficult to believe that when these policies