

*Oral Questions*

probably the most important biodiversity issue in Canada.

Does the minister agree that Canada's ecological integrity and in particular that of the Pacific Rim National Park depend on the ecologically rich Clayoquot Sound forests or not?

**Hon. Mary Collins (Minister of Western Economic Diversification and Minister of State (Environment) and Minister Responsible for the Status of Women):** Madam Speaker again I am glad my colleague raised the question of the biodiversity convention.

Here Canada was in a leadership position. We were the first industrialized country to sign it and the first country to ratify it.

• (1450)

We are now working with a national biodiversity plan and with colleagues in the development of new national parks. Not long ago I signed the Haida Gwaii agreement. We recently announced the new park in the Yukon.

We are proceeding with every component of our biodiversity strategy, all those that are within—and I ask my hon. colleague to listen to this—within federal jurisdiction.

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**THE ECONOMY**

**Hon. Lorne Nystrom (Yorkton—Melville):** My question is for the Acting Prime Minister.

A couple of days ago the Minister of Finance met with his provincial counterparts here in Ottawa to discuss the problems of the economy. The provincial ministers made it clear that they have done what they can to keep the deficit in check at the provincial level. They now want help from the federal government on the monetary side in terms of interest rates.

I want to ask a question in light of statements made by the Quebec finance minister, Mr. Levesque, and the Ontario treasurer, Mr. Laughren, and in light of the fact that the government has had a high interest rate policy for a number of years which has helped ruin the economy. Will the minister now use his authority with the Bank of Canada to lower interest rates further in this

country in order to help stimulate the economy and create jobs for all Canadians?

**Hon. John McDermid (Minister of State (Finance and Privatization)):** Madam Speaker, I think that points out more poignantly than any other words could why the NDP will never ever form a national government in this country.

Those interest rates are not dictated by the government and the hon. member has been around here long enough to know that. If he is truly interested in finding out how things work, he should go to committee this afternoon and hear John Crow, the Governor of the Bank of Canada.

**Hon. Lorne Nystrom (Yorkton—Melville):** Madam Speaker, the minister of finance in Quebec has asked the federal government to intervene. The treasurer of Ontario has asked for the same thing. Other provincial ministers have done the same thing.

Why does the government not use its authority and ask the Bank of Canada to lower interest rates in this country?

It was recently pointed out that the real interest rate in the United States federal reserve is some zero per cent; in Canada the real interest rate is about 4 per cent. Why does the government not intervene to reduce the gap between real interest rates in our country and the United States which would create jobs in Canada?

**Hon. John McDermid (Minister of State (Finance and Privatization)):** Madam Speaker, again the hon. member is way off base. I was at those meetings of finance ministers and I did not hear the finance minister of Quebec or the treasurer of Ontario ask the government to intervene. I did not hear them ask that.

I did hear them say that we have debt and deficit problems. We do not have that under control yet. They all admitted that and that they have to continue to fight that. They also indicated they wanted to see growth and job creation in this country, as we all do and they believe we are on the right track to that.

However, neither of those individuals requested direct intervention in the Bank of Canada by the Government of Canada. Therefore, the hon. member is totally wrong in his question.