

There are 21 different routes to look at when holding public hearings.

Mr. Mazankowski: Parliamentary committee.

Mr. Pepin: Then, realizing that I would not go for that and realizing that the route we have taken by order in council is quite legal under Section 64 of the National Transportation Act, he took a second kick at the can by suggesting that the matter should be sent to the parliamentary Standing Committee on Transport and delayed there until June 20 or thereabout.

Then tonight he says we should delay it until we have found a miraculous formula for the financial relationships between the railways and VIA, that is, an amendment to costing order R63-13.

Mr. Mazankowski: Just offering you a way out.

Mr. Pepin: That would take some time also. Then, on July 13 he said we should delay until we rewrite the VIA legislation. That is four occasions for delay. When do you do anything under that system?

Mr. Mazankowski: There are options for you. Take one of them.

Mr. Pepin: One cannot do anything under that system, so I came tonight really to talk about the VIA bill and to cheer up my hon. friend by saying that I take that responsibility very seriously. The last time I told him I was in favour of one. Now I have received the first approach to it from my department. I suggest that when he was holding my portfolio he too asked his officials to provide him one. I do not know. Maybe we could exchange notes at some point. At least we could exchange a verbal communication. The choice I will have at one point—and I am quite willing to talk about it with my predecessor—is a long bill or a short bill. What would be included would be a structural part and a more dynamic part. The framework of that is being developed now. I should be presenting it to cabinet in the coming months, but I am not at all reluctant to talk about it in the Standing Committee on Transport.

Mr. Mazankowski: But you won't have a railroad by then.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. minister, but the time allotted to him has expired.

● (2220)

REQUEST THAT GOVERNOR OF BANK OF CANADA BE
INSTRUCTED TO LOWER INTEREST RATES

Mr. Dan Heap (Spadina): Mr. Speaker, on Wednesday, October 14, I asked the Minister of Finance (Mr. MacEachen) on behalf of the Spadina voters who sent me here if he would instruct the Governor of the Bank of Canada to lower the interest rate structure to a tolerable level. The minister's reply was disappointing. He merely saluted the worn-out dogma that high interest rates are anti-inflationary. Is he still asking Canadians to believe that he will cure high prices by pricing

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money higher than this country has ever seen before in order to cool down inflation? This was the policy of the late Conservative government, to concentrate spending power in the hands of a few, a policy that pleases those few and only those few.

This is still Conservative policy, as shown by the fact that when the leader of the nominal opposition asked questions on this last week, he was careful to avoid asking that the interest rate be brought down. He just said, let's have a review. He asked that there be subsidies to home owners rather than a new interest rate and investment policy that would bring health back to our economy.

What is disappointing and new is that the Liberal government, through the Minister of Finance, has also completely surrendered now to the philosophy of making the rich richer and the poor poorer. This present government and the one before it proved this policy to be a failure.

Inflation ran at 10 per cent in 1977. In four years, while inflation rose from 10 to 13 per cent, interest rates were going from 12 to 15 to 18 to 20 per cent and beyond. They had nothing to do with stopping inflation.

The government's new energy prices, up one third from last year, are sure to push inflation higher still. Will the minister care if interest rates rise to 25 or 30 per cent? The question is, how long can we wait for the minister's dogmatic policy to cure inflation? In fact, his cure is worse than his disease. His high interest rates are not cooling down demand as much as they are choking off production and supply and making inflation worse.

The number of officially unemployed jumped in one month, September, by 18 per cent. That is, 144,000 more Canadian men and women are not allowed to work productively. Does the minister like that cure for inflation? The Spadina voters clearly do not.

Small business bankruptcies jumped in that same month by 26 per cent. Spadina is the major small business centre for Ontario, if not for Canada. We have retail stores, specialty service shops, hundreds of textile and clothing manufacturers and distributors, the printing trades, the office furniture and supply trades, the restaurant and entertainment establishments and many more small and medium-sized businesses. Does the minister take pride in driving them into bankruptcy at a rate now increased by 26 per cent?

We have, I admit, very little farmland in Spadina, but our people do like to eat. We are told by the National Farmers Union that farmers now no longer spend 15 but 30 per cent of their income on carrying charges. No wonder grocery prices are rising faster than any other part of our cost of living. The banks take their share before we eat.

Does the minister plan to price food absolutely beyond the reach of Canadian working people? That might cure inflation in a sense, but not many of us would be around to enjoy it. There is, of course, one small group who are not suffering. The assets of the five largest banks in Canada went from \$42 billion in 1970 to \$260 billion in 1980, a fivefold increase.