

than 120 days on first applications. So, Mr. Speaker, if that is not progress I do not know what it is.

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INSOLVENCY ACT

REQUEST FOR REFERRAL TO COMMITTEE

Mr. Jim Peterson (Willowdale): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. Prior to the Christmas prorogation the Finance Committee was seized with the Bill dealing with insolvency. We had hearings on this. We realize that there are many important decisions which have to be made, but the committee, after hearing many extensive representations, would be best equipped to deal with these important issues. Can the Minister tell us why Bill C-17, which deals with insolvency, a matter of such importance to so many people in Canada, has not yet been referred back to the committee for further hearings?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member asks a very good question. I must say that I share his frustration. We tabled the Bill several weeks ago. We have put forward the amendments we intend to put before the committee. I have had indications from the Party opposite that they are anxious to see this Bill proceed to committee. However, I must confess that I have had virtually no co-operation from the New Democratic Party. It would be most helpful if those Hon. Members would agree that the Bill should go back to committee so that those people who are anxious to appear before the committee may be allowed to do so. It is an extremely important Bill to wage earners, small business, to everyone in Canada. Let us get on with it.

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LABOUR CONDITIONS

IMPACT OF UNEMPLOYMENT ON THE POOR

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Minister of Finance. A Statistics Canada study of unemployment shows that government high interest rate policies have put the burden of unemployment on the backs of the poor. Only one-third of poor Canadians worked steadily in 1981. Does the Minister now agree that it is his Government's economic policies which have deprived poor people of jobs? What does the Minister intend to do about this gross unfairness to low-income Canadians?

Hon. Marc Lalonde (Minister of Finance): No, Mr. Speaker, I do not agree with the statement made by the Hon. Member. The fact is that, indeed, there has been the impact of unemployment in Canada the same as in practically every other industrialized country I know. The impact of unemployment tends to be harder on the workers who are at the lower

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end of the income scale. That is a factor in every single industrialized country that I know.

New workers, new entrants into the work force, tend to lose their jobs earlier than those who have been in the work force for a long time. The Hon. Member knows that in a lot of collective agreements it is a standard rule that the last in are the first out if there is a decline in employment. The solution is to try to create jobs as fast as we can to reduce unemployment. This is what we have been attempting to do with our policy in fighting the recession this country has known, together with the rest of the industrialized world, where there are still around 30 million unemployed today.

● (1440)

We are doing our very best, but it is not a phenomenon exclusive to Canada, or even more prevalent in Canada than in any other particular country. However, in our actions we have taken care to maintain the social safety net in this country, contrary to a lot of other countries, and contrary to the admonitions of the Conservative Party in particular. We have maintained our social programs to help those most in need.

EFFECT OF INTEREST RATES ON JOB CREATION

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, the two million poor people in Canada do not think the Government is creating jobs as quickly as it can. The best safety net for those people is jobs. They do not want unemployment insurance or welfare, they want work. With interest rates rising again, they are about to take another thrashing. What is the Minister going to do about jobs he is destroying by allowing interest rates once again to go up, and up, and up?

[Translation]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, an increase of one-half of one per cent in the interest rate does not necessarily mean there will be fewer jobs in Canada. The Hon. Member knows perfectly well that if, for instance, we look at recent developments in the United States since the month of January, and I am referring to an increase in their interest rate, this development has not prevented an increase in the number of jobs. The interest rate is not the sole factor that determines the employment rate.

Furthermore, I wish to emphasize that we have no reason to believe there will be a substantial rise in interest rates within the next few weeks. We have every reason to believe that interest rates will experience or will have experienced a slight increase and with the Governor of the Bank of Canada, I am doing everything in my power to prevent interest rates from rising further.

All this will depend a lot on what happens to interest rates in the United States, but here again, there is reason to believe that U.S. interest rates will not experience a substantial increase in the coming days and weeks.