

*Routine Proceedings*

One reason for all this is that the bank rate is too high. One way of helping farmers in this country is by reducing the bank rate and forcing the chartered banks, the credit unions and the trust companies to reduce their rates as well. Of course the Farm Credit Corporation, which is run by the federal government, must also do the same.

[*Translation*]

There is also another sector, Mr. Speaker. There are many small businesses in this country that now have a problem with interest rates.

Three weeks ago, I was talking to a businessman in Yorkton, in my riding. He told me that sales were doing very well this year, but profits were down from last year. The only reason why profits were down compared to last year's was that now, interest rates were too high. Although he sells a lot in his business and, if I remember correctly, sales were better than they were last year, profits are down because interest rates are too high. This is a big problem for small businesses, for farmers and for practically everyone in this country.

[*English*]

I do not see why this House does not take the proper path and say yes to the chairman and the report of the finance committee of June 22, but say no to John Crow, tell him "interest rates are too high and the government will bring them down now". I suggest that members of the Conservative party get up and say the same thing. The hon. member from Calgary, the hon. member from Mississauga, the hon. member for Cambridge and others are on the finance committee. They and others supported that report last June. It is about time they got up here in the House and Commons and said: "Look, what we need now is action to bring down the interest rates in this country".

• (1150)

In two days, on Thursday, there will be another setting of the bank rate by the Governor of the Bank of Canada based on treasury bills and other things that are currently happening over there at the time we speak. It would not surprise me if the bank rate once again either remains about the same or creeps up a little bit. That again is going to be very difficult for the Canadian economy.

The bank rate is something that I said affects small business. It affects the farmers in this country. It affects people who want to build a house, expand their enterprise or their farm because mortgage rates and other rates remain very high. I suppose most of all it affects the poorer in this country because those people at the bottom of the economic scale are those who eventually will have to pay the greatest penalty when there is a tight money policy.

Why in a country that is so rich do the poor always have to pay? Why in a country that is so rich do the poor regions always have to pay?

We know the problems in Newfoundland right now. We know the problems in Atlantic Canada now. We know the problems in northern Canada and parts of western Canada. When I say northern Canada I include northern Ontario and northern Quebec. We know that the policy of the Minister of Finance and the policy of the Governor of the Bank of Canada is going to hit those regions of our country hardest. It will grind the economies of the impoverished parts of our country to an even slower and slower pace than they already are today.

Should we as a Parliament tolerate that? I think when Mr. Crow decides what the bank rate should be he climbs up on top of the CN Tower in Toronto and takes a look around. That is what he does. What he sees is a fair amount of affluence in Metropolitan Toronto.

One of the members across the way said maybe he should take a real jump into reality and get off that CN Tower. I agree.

I wonder if John Crow has visited Newfoundland in the last two or three years. I wonder if John Crow has ever paid a visit to rural Saskatchewan to see how the farmers in rural Saskatchewan are doing?

[*Translation*]

Mr. Speaker, if John Crow went to Gaspé, in the province of Quebec, he would know, in fact he must know the unemployment rate there is around 14, 15, 16 or 17 per cent. I wonder whether he went there, Mr. Speaker. I hope Conservative Members will take the same stand I do and support this motion this morning, a motion that was moved because the Standing Committee on Finance agreed that our present monetary policy is a threat to Canada's future.