

[Translation]

INTEREST RATES—GOVERNMENT POLICY

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I would have liked the Minister of Finance to have given a more direct answer to my question. The only indication he gave was: No.

I may remind the Minister that the gap between interest rates has doubled since October. How can he tell the House it is not this Government's policy to let interest rates rise, when the difference between short-term interest rates in the United States and Canada has doubled since last October?

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think I answered the question fairly directly with one word—no. The policy of the Government is to try to get interest rates down as low as possible within the context of our broad economic policy. As a former banker, the Hon. Member should know that there are fluctuations within the markets that are out of the control of the Government or of the Central Bank.

Mr. Turner (Vancouver Quadra): Is that so?

Mr. Wilson (Etobicoke Centre): Yes, I say to the Right Hon. Leader of the Opposition. He was a fellow who got interest rates going up in the 1970s, at which time they reached record levels which put so many farmers and small businesses out of business. He should know. Interest rates started at 5 per cent—

Mr. Speaker: Order, please.

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MEDICAL CARE

FUNDING OF CANCER TREATMENT CENTRES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is for the Minister of National Health and Welfare. Last week there were reports about the serious inadequacies of facilities for treating cancer patients in most parts of Canada. Given the fact that the \$2 billion cut in funds from EPF, which the Government intends to impose on the provinces by 1990, will exacerbate the already serious crisis in cancer treatment centres, will the Minister urge his colleagues in Cabinet to reverse this decision to cut these grants which are so necessary if the health of Canadians is to be protected?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, first I should point out to the Hon. Member that his use of the word "cuts" is wrong. The same percentage for

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health care will be maintained by the federal Government. The Minister of Finance met with his counterparts prior to Christmas and indicated to them that there will be an increase in the EPF commensurate with those principles.

I think the question the Hon. Member is really asking is what other facilities and research processes should the provinces, the federal Government, and agencies such as the Canadian Cancer Society, for example, be looking at co-operatively in order to meet the challenge. That is the real issue.

MEDICAL RESEARCH

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the Minister knows of course that the \$2 billion to which I have referred is \$2 billion less than the provinces would have received under the previous plan as a result of the government proposal.

Given the fact that when the Conservative Party was in opposition it pledged to increase research and development spending to 2.5 per cent of GNP—

Mr. Speaker: With great respect, does the Hon. Member have a supplementary question?

Mr. Orlikow: When will the Government reach that goal? In particular, when will it reach the goal in respect of research for life sciences?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I should tell the Hon. Member that, yes, the Government is committed to increasing the percentage of R and D relative to GNP.

● (1200)

I should point out to the Hon. Member as well that one of the very first steps this Government took was to raise the amount of money, for instance, that the Medical Research Council was to receive under the previous Government's estimates. In fact it raised it by over \$30 million immediately.

Additionally, I believe the Hon. Member should be made aware of the fact that we believe that research should be driven not only by government but by private industry and the private sector as well. In fact we are very pleased to see that those kinds of communications are taking place and that there is a deep interest to see how those two efforts, both public and private, can be co-ordinated.

Mr. Speaker: It being 12 o'clock, pursuant to order made earlier today this House stands adjourned until tomorrow at 11 o'clock a.m., pursuant to Standing Order 3(1).

The House adjourned at 12.02 p.m.