

*Oral Questions**[English]*

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, my director general has been negotiating directly with the village. It is in the range of around \$200,000.

I am glad the member asked me this question because I think this is part and parcel of the negotiations.

• (1430)

As of now, the Mohawk Council of Kanesatake has issued a press release saying the Mohawk cemetery expansion is suspended at Ottawa's request. I am very pleased that the Mohawks have suspended their clearing operation at the cemetery as an indication of their good will of negotiating.

Again, as I have said, we do not create a crisis. Our party is committed to recognizing a problem, going in, dividing it up into its components and solving those components. This is good news for me.

[Translation]

Mr. Michel Gauthier (Roberval): Mr. Speaker, my supplementary question is also for the minister of Indian affairs.

Could the minister tell us if he intends to give a favourable reply to the urgent request made by the Quebec government to participate in the negotiations, or will he conduct these negotiations alone and ignore the provincial government's wish?

[English]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development): Mr. Speaker, it is imperative that the Quebec government be at the negotiating table with the Mohawks and the Government of Canada and with the very fine mediator and negotiator, both of whom are already working there.

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THE ECONOMY

Mr. Ray Speaker (Lethbridge): Mr. Speaker, my question is for the Minister of Finance.

Yesterday we received conflicting economic signals: interest rates are up; GDP growth is up. Does the minister agree that higher interest rates due to Quebec uncertainty threaten to choke any economic recovery? How does the minister intend to respond to this circumstance?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, the very strong numbers that the member mentions for the month of March occurred during a period of rising interest rates. At the same time, as the member knows, the recovery began when interest rates were in fact higher than they are at this stage.

I think it is very clear that the recovery in Canada is sufficiently well anchored that in most areas of the economy, certainly those that are creating jobs like goods production, the high interest rates have not yet begun to stifle the recovery.

In terms of the uncertainty that has been created by statements made by certain people who are pursuing an unpalatable political option, there is no doubt in my mind that those statements are destroying jobs.

I think that one should appeal to all political leaders to desist from the kinds of things that are taking food out of the mouths of Canadians.

Mr. Ray Speaker (Lethbridge): Mr. Speaker, I certainly appreciate the minister's answer. It is very true there are statements that are affecting our economy and potential growth. This was supported by senior economists from Wood Gundy and Patty Croft as of yesterday's statement which was very clearly stated.

Higher interest rates are seen to be there because of the separatist discussion that is going on. It is threatening the government's 3 per cent deficit reduction targets. I believe that is happening.

Are the minister and the government prepared to bring about additional expenditure reductions for adjustments to the budget to meet their target and to assure us that they will?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, as I have said in the House, we are going to take whatever actions are required to hit those targets.

The credibility of the government's economic projections are very important if we are going to re-establish any kind of equilibrium in public markets. We are going to hit our targets and we will take the steps required to get there.

The Speaker: I remind my colleagues to always remember me in their statements and answers.

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• (1435)

*[Translation]***KINGSTON'S FRANCOPHONES**

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): Mr. Speaker, teachers at the Collège militaire royal de Saint-Jean who may be transferred to Kingston are very concerned about the quality of French language education their children will receive in Kingston. Today, *Le Devoir* reported what was said by their spokesman, and I quote: "It is like a third world country—the school's is housed in shacks without toilets or running water, and this has been going on for six years".