

Oral Questions

There is an awareness out there in Canada by consumers and small businesses that what the banks lose on their real estate investments they will pick from the pockets of consumers and small businesses.

Some banks have announced a freeze. That is like closing the door after the horses have eaten all the hay, all the oats and then left.

My question to this minister who is also the Minister of State for Agriculture: Will the minister call in the banks and tell them to roll back their service charges and then freeze them?

[Translation]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, a week ago or maybe a little more, the Minister of Finance and I said in this House that we had told the banks that there was no question of making consumers pay for any losses incurred by any of them in real estate transactions. We reassured the House on this point several times.

My colleague also knows that I personally met the bankers' representatives to ask them to lower credit card interest rates—this is the subject that concerns him. Rates have fallen nearly 5 per cent and are now about 7 per cent, the lowest in the past 20 years. This is quite something and is due to this government's economic policies. I believe that it is all to the good for consumers.

[English]

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I have only one thing to say to the Minister of State for Agriculture and the Minister of Consumer and Corporate Affairs, that is horse feathers.

My question had nothing to do with credit card interest rates. We are talking about bank service charges. I will repeat again to the minister, will he call in the banks and order a roll back on the service charges and then a freeze, not for three banks, but for the six biggest banks?

• (1500)

[Translation]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, as my colleague just mentioned, several banks have already said that they were freezing these charges for some time. This shows that there is very keen

competition now. It is common knowledge that the financial institutions are competing fiercely with one another. Interest rates are at their lowest level and the banks are outdoing each other to get customers, which only benefits consumers. Instead of blaming the government, my colleague should thank us and congratulate us on our economic policies.

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[English]

MUNICIPAL INFRASTRUCTURE

Hon. Alan Redway (Don Valley East): Mr. Speaker, my question is for the Minister of Finance who has indicated that he is looking for ways to help Canada compete by improving our municipal infrastructure as long as it is within the existing fiscal framework.

About one-third of the green plan budget or \$1 billion has not yet publicly been committed.

I want to ask the minister if he is prepared to help the environment improve our competitiveness by using and spending the remaining green plan funds to put Canadians back to work, building and rebuilding our municipal infrastructure, rather than spending the money on more studies?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I thank the hon. member for his question because it allows me to point out that in the green plan \$.25 billion over six years is going toward infrastructure for Indian peoples in this country, for our native people to upgrade their water and sewage systems. We are helping in an area where it is badly needed and the green plan is doing that.

As far as infrastructure for municipalities is concerned, I remind the hon. member that we are working in our airports to improve the infrastructure there which creates employment and activity, and is our responsibility. We are helping with the fixed link, for example, to P.E.I., which will have private industry financing, but at the same time encouragement from the government.

As the first ministers mentioned in their meeting of the Prime Minister and the premiers, we are taking a look at the the Trans-Canada Highway and the national road system as a possibility of an area where we may be able to co-operate with the municipalities. That is ongoing with the provinces at the present time.