

Oral Questions

be that minutes were kept of the work of this committee which met back in 1946 and 1947, about which the hon. member is asking, with no record having been kept of the fact that there were minutes.

I will look and try to find the minutes. However, it will be very difficult to know whether minutes ever existed because of the way records were kept at that time. Nowadays if a document is there or not there, there is a record of its having been generated and of its being in existence. From what I have learned so far, there was no similar type of recording system back in the 1940s. I will do the best I can on that.

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● (1200)

THE ECONOMY

RATES CHARGED FOR CONSUMER LOANS

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I would like to ask an economic question and direct it to the Minister of Finance. I welcome him back from the OECD. I want to speak to him about the policy of his government of tacitly accepting usurious interest rates.

I want to give an explanation. This morning I checked with chartered banks and consumer finance companies in Ottawa and found that the lending rate of the chartered banks now is about 22 per cent to their better customers and 21 per cent on fully secured loans, whereas the consumer finance companies lend money at 24 per cent. It appears that the government is involved in a policy at Avco and Household Finance interest rates but with nothing beneficial to consumers.

In view of the fact that the minister has approached the chartered banks with respect to home mortgage forbearance, I would like to ask him whether, with respect to the consumers of Canada, who are under great stress regarding repayment of loans at the present rates, he is prepared to intercede and use his good offices on their behalf as opposed to only on behalf of the mortgage holders of this country.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am glad the opposition has returned to a discussion of the economy. I wondered whether the hon. member would get to that today.

I am ready to tell the hon. member that the Canadian banks have already provided an assurance not only to assist mortgage holders—or at least to be considerate of their need of homes, in the present circumstances—but also to assist farmers and small business. These three groups were the subjects of my discussions with the chartered banks. I already have under consideration whether it is desirable to seek similar assurances from other institutions in the country, and I will therefore give consideration to the hon. member's suggestion.

Mr. Hnatyshyn: Madam Speaker, I appreciate the consideration the minister will give because there does not seem to be

any possibility that interest rates will be going down for a very substantial period of time.

POSITION OF MINISTER OF INDUSTRY, TRADE AND COMMERCE

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I would like to direct my supplementary question to the Minister of Industry, Trade and Commerce who is involved very intimately with the economic development committee of the cabinet and who should be one of the leading spokesmen with respect to policy in this country.

I want to quote a statement made by the minister on October 23, 1979, in the House of Commons. The quotation is to be found at page 510 of *Hansard*. The minister said, and I quote:

—government bear the responsibility for the damage these interest rate increases are doing and will do to the economy, particularly to small business, the farmer and the consumer.

The minister has now been in his portfolio for a year and a half. He told Morton Shulman that any time interest rates went over 14 per cent he would resign. Has the minister put forward any policies with respect to reducing interest rates, or is the minister now going to resign after not being able to have any weight at all?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I do not think my hon. friend has correctly stated what transpired in the interview in question. In any event, there was a considerable period after this government came to office when interest rates declined and when they remained behind those in the United States. In addition to that this government has taken substantial action on this issue, and I make particular reference to the extension of the small business development bond program.

Finally, when the Canadian people look at the damage which was done to the economy and would have been done to the economy if my hon. friends had stayed in office, I think they will be very pleased to see the continuation of the present government compared with the mess on the other side of the House.

Some hon. Members: Hear, hear!

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, I rise on a point of order. I would like to advise the parliamentary secretary that fitness and amateur sport is receiving \$32 million from lotteries this year—

Some hon. Members: Order.

Madam Speaker: Order, please.