

*Oral Questions*

Prime Minister knows that the purpose of good character evidence is meant to minimize sentence, does the Prime Minister not acknowledge that it is inappropriate for a Solicitor General to be giving good character references on behalf of anybody?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, all I can say is that this is not a clearcut case as far as I am concerned. This is not a minister trying to, once again, in an inappropriate way influence a judge. This is a minister offering his opinion as a human being. It might have been, in view of the temper of the opposition these days, that he should not have done that, but I am not prepared to say this.

\* \* \*

**THE ECONOMY**

## REQUEST FOR INTRODUCTION OF NEW GOVERNMENT POLICY

**Mr. Ian Deans (Hamilton Mountain):** Madam Speaker, my question is for the Prime Minister. Since February of this year there have been ten Liberal members from the Montreal area who have indicated that they think that the economic direction of the government is a disaster, 16 Liberal members of the Liberal caucus economic development committee who have expressed a similar concern to that of those ten Liberal members, the Solicitor General who wrote a letter saying that the government's economic policies were a disaster, and we now have the Minister of State for Economic Development reported in today's *Le Devoir* as indicating that the economic policies being followed by the government are a disaster.

Given that there now appears to be a sense within the Liberal party that what is happening in this country with respect to the economy is heading us in a direction which will cause untold chaos and hardship for tens of thousands of people, can we expect to see a policy put forward by the government before the end of this current session—before the end of June—that will begin to address the problems that confront the one and a quarter million to one and a half million people who are currently unemployed, and the tens of thousands of people who are presently looking to their jobs with considerable trepidation mainly as a result of the government's inability to implement an economic policy which is not a disaster?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, what surprises me, frankly, is that the opposition seems to be showing great interest in the views of this caucus with regard to the economic situation in Canada.

**An hon. Member:** Everybody is.

**Mr. Trudeau:** Indeed, as the hon. member from the opposition says, everybody is. It would be surprising if members of this caucus, Liberal as they are, were not showing great concern for the rate of unemployment, the high rate of inflation, and for the economic difficulties that the country is going through.

I appreciate the solicitude shown by opposition members for the views of members of this caucus. I have great interest in those views myself. They are made known to me several times a week, and certainly in caucus every week. Indeed, that is the way this government operates, by soliciting the views of our caucus members and trying to adopt policies which would be beneficial to the country.

## REPORTED STATEMENTS MADE BY MINISTER FOR ECONOMIC DEVELOPMENT

**Mr. Ian Deans (Hamilton Mountain):** Madam Speaker, would the Prime Minister care to respond to the statement by the Minister of State for Economic Development, the Senator in the other place? Does he agree with Senator Olson when he says that the major economic thrust of the government was megaprojects, that the high interest rate policy of the government has been the primary factor that undermined the megaprojects, and that there are tens of thousands of jobs which have been lost as a result of the high interest rate policy of the government? If the Prime Minister does agree with him, will he now take steps to bring forward a new policy or, failing that, will he replace the minister?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, I would challenge the hon. member's accuracy when he quotes Senator Olson as talking about high interest rate policies. The Senator knows, as does everyone in the House, that there is no high interest rate policy. There is a high interest rate. That high interest rate is due to the fact that Canada is an open market as far as capital is concerned, and its interest rates cannot be dissociated from the interest rates which prevail on the money markets of the world. That is the reality. It affects Canada, it affects France, it affects Britain, it affects Germany, it affects Italy, it affects Japan—it affects all countries. That does not mean that all of these countries are all seeking to have high interest rate policies; on the contrary, these countries are trying to fight against that high interest rate by having anti-inflation policies.

● (1425)

## ALTERNATIVE POLICIES

**Mr. Ian Deans (Hamilton Mountain):** Is the Prime Minister suggesting that the people of Canada should believe that there is no action which can be taken by the federal government, or by any other government in Canada, to bring down the level of interest rates and thereby safeguard the jobs that they must have in order to provide their livelihood? Is the Prime Minister honestly telling the people of Canada that the policy which has brought about high interest rates and which has destroyed the very opportunities for those people is the only policy the government could follow?

**Right Hon. P. E. Trudeau (Prime Minister):** Well, I am not saying that, Madam Speaker. I challenge the hon. member to say whether he was quoting Senator Olson accurately or not.

**Mr. Deans:** Yes, I am.