

Oral Questions

HOUSING

MORTGAGE INTEREST RATE LEVELS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, my question is directed to the minister responsible for housing. Does the minister recall when mortgage interest rates peaked at 20 per cent last year and thousands of Canadians were out in front of the Parliament Buildings trying to get Ottawa to take some action to assist them? We were told to wait for the budget. We then received Bill C-89. Only 300 Canadian families were able to take advantage of its provisions. Interest rates are now back to 20 per cent. What does the minister propose to do to try to bring interest rates down to a level which people in Canada can afford?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the starting point, in response to the hon. member's question, as would be my response to the editorial in *The Toronto Sun* today, is to implore hon. members to investigate the facts, that is, to discover what has actually transpired under the assistance program made available by the majority of hon. members in the House. Rather than 300 families taking advantage of that program, or, as *The Toronto Sun* states, 400 families, in fact there are 1,400 families benefiting under that program today.

● (1440)

At the time of the escalation of interest rates last fall, many members brought to my attention difficulties of individual Canadian households as a result of that. I recall saying that the government would attempt to respond to those very difficult situations. I am very happy to note that 1,400, some 400 more than the individual cases brought to my attention by all members of this House of Commons, have found assistance under that plan. In conclusion, if members will genuinely try to understand the plan and promote it among their constituents, more Canadian families will be able to benefit by it.

Mr. Deans: I am not going to enter into a contest with the minister about numbers. He is wrong.

REQUEST GOVERNMENT ACT TO REDUCE INTEREST RATES

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I have a supplementary question for the minister. I will put it quite bluntly. Why does the Government of Canada not bring in legislation to require that interest rates for mortgages be provided to Canadian families at a price they can afford? The minister knows full well that Canadian families cannot afford 20 per cent mortgage interest rates. The program he has offered does not even begin to put a dint in the problem.

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I would again ask the hon. member and all hon. members that, when they request the Government of Canada to spend more money and put more money into the economy, they consider the choices. Whom do we serve? We serve a wide spectrum of Canadians. There are those Canadians, for

example, who sacrificed to pay off their mortgages in this difficult time. They did without things in order to pay off their mortgages. There are those Canadians who rent. There are those Canadians who pay less than 30 per cent of their incomes and find it easier to meet their own housing needs. We, as a government, have to be responsible to them as well. We have attempted to balance relief to Canadians. We have asked Canadians to spend up to 30 per cent of their income on their shelter needs. We think that is a fair request.

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AUTOMOTIVE INDUSTRY

PROPOSAL TO ESTABLISH DIESEL ENGINE PLANT IN WINDSOR, ONT.

Mr. J. R. Ellis (Prince Edward-Hastings): Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. The minister will be aware of the proposal by Chrysler Corporation to put a new diesel engine plant in Windsor, which would have created 1,400 new jobs. He will also know that his inability to gain support in cabinet has now lost 500 of those jobs to the state of Michigan. With the Province of Ontario already putting its money on the table, can the minister offer any hope to the unemployed in his riding that he can come up with the money and guarantees necessary to proceed with this project?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, my hon. friend's impressions of the matter are not particularly correct. I have not yet come to the conclusion that what has been proposed by Chrysler, and it is something that has changed from week to week, has yet reached a point where I can say it is a good deal for the workers, the communities in question, and taxpayers in general. When I get to that point I will be happy to seek the advice of my colleagues. I hope my hon. friend will give the same priority that I do to making sure there is a good deal for all those concerned.

REASONS FOR GOVERNMENT POSITION

Mr. J. R. Ellis (Prince Edward-Hastings): Madam Speaker, I would like the minister at some point to tell me where I have been inaccurate. Certainly I am accurate in the fact that 500 of these jobs have already gone to Michigan. I am accurate in the fact that the province of Ontario has put its money on the table. I am accurate in the fact that the people in the area want those jobs. If the minister is unable to convince his cabinet colleagues to spring a few dollars free to guarantee jobs for those in his own riding, how can he expect us to have any confidence in him, and why then in fact should he not resign?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, I do not think my hon. friend has a complete and accurate picture of the situation. The proposals