Mr. Roberts: Instead of Hon. Members opposite seeming to show great lamentation, and weeping and crying about the situation, one would have thought that they would be a bit reassured and slightly more cheerful over the fact that there has not been any increase in unemployment over the past month.

EFFECT OF INTEREST RATES

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, again I direct my question to the Minister of Employment and Immigration, who is sometimes referred to as "Doc", one of Iona's dwarfs. Is it not true that if interest rates were not rising in Canada as quickly as they have been rising, his job in lowering the unemployed list in Canada would be much easier?

● (1125)

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, I do not think that the hon. gentleman opposite is of such stature that he should criticize anyone else about being a dwarf.

I have already outlined, as we on this side of the House have done, again and again, the general approach we have been taking to the creation of employment. That general approach is to provide a context of support for private sector activity. That has been happening. Jobs have been created in this economy over the last year. The other approach we are taking is to focus on short-term problems, particularly the creation of youth employment and the support of entry of women into the labour force for the first time. We are doing that in a variety of programs, the most important of which may be that of Career Access, and in terms of short-term stimulation of the economy, construction through the Special Recovery Capital Projects Program.

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FINANCE

INTEREST RATES—REQUEST THAT GOVERNMENT TAKE ACTION

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, in the absence of the Minister of Finance I will direct my question to the Prime Minister. He will know that again this morning the tragic unemployment levels are continuing in this country. At a time of the year when the situation ought to be improving, today's statistics indicate that there is no real improvement occurring in the country when it comes to jobs. Is it not time that the Prime Minister and his Government rethought the high interest rate monetary policy that is presently in place, and brought in an interest rate policy that would result in jobs being created, as opposed to simply creating profits for financial speculators? Is it not time to reserve this interest rate policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member persists in calling it a high interest rate policy. I notice he does not take issue with what I pointed out to him yesterday. He goes on to try to spread the myth that it is a policy that wants high interest rates in Canada. That is not only a myth, it is an outright falsification. Yesterday I challenged the Hon. Member to indicate how the Government, or anybody in a free society, could force lenders of money in Canada—the savers, those in ordinary walks of life who save money—to lend money to other Canadians at a rate lower than the rate they can get by putting their money in the New York market. The Hon. Member has not suggested an answer to that.

He should be saying there is a policy in Canada to permit lenders in Canada to seek the best return they can get for their hard-earned and hard-saved dollars. Maybe that is the policy of his Party. If so, he should say no clearly. Does he suggest that the Canadian Government, under its constitutional right, should force savers in Canada to lend their money at a lower rate than they can get by crossing the border? If he is suggesting that, he is proposing that we impose controls on Canadians which are not compatible with the normal operation of a free society.

REQUEST FOR CAPITAL OUTFLOW TAX

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, the Government has not been hesitant in the past to impose penalties on people and corporations which pollute our environment. It has not been hesitant to impose penalties on Canadians who drink and drive and endanger the lives of their fellow citizens. Why are the Prime Minister and the Government of Canada hesitant to impose penalties on those people who would move money out of the country to take advantage, on a speculative money market, of an interest rate in the United States? As an historian the Prime Minister will be aware that other countries, on a temporary basis, have imposed a speculators' tax on the outflow of money. Why does Canada not do the same and allow interest rates to come down?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member is making an extraordinary analogy. He is saying that savers, Canadians who save money, which is not an unvirtuous occupation, should be treated as we would treat people who pollute our environment or who drive when drunk. The Hon. Member shakes his head, but that is exactly what he said. He said that if we control drunken drivers, why should we not control poor Canadian savers—

● (1130)

Mr. Riis: Speculators.

Mr. Trudeau: Speculators? It is not only speculators who move their money across the border, Mr. Speaker; it is every Canadian who is looking for the best return on his buck. How would the Hon. Member propose to control those Canadians and not the drunken drivers?

Mr. Riis: Mr. Speaker, I do not know how to respond to that.