

*Oral Questions*

the kind of co-operative federalism I am against, when the federal Government does not exist as far as the people are concerned, when the federal Government can only exist through a proxy, the provincial premiers. That is not how we see federalism and I do not think the Hon. Member's leader sees it that way either. That is why we are quarrelling with the provinces because they want to spend the federal Government's money.

**Madam Speaker:** Order!

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**FINANCE****REQUEST FOR ASSISTANCE FOR HOME OWNERS WITH HIGH INTEREST RATE MORTGAGES**

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, I thought the questions put by the Leader of the Official Opposition today were excellent, and if I may say so, I thought they were pretty good yesterday when I asked them the first time.

● (1430)

[English]

My question is directed to the Minister of Finance. The fact is that right now thousands of Canadian families are paying anywhere from \$200 to \$300 more per month on a mortgage than they should have to pay, given the prevailing rates, because they are locked into mortgages which they took out at 18 per cent to 23 per cent some time ago. Considering that the Minister of Finance had questions put to him two days ago by this Party, and yesterday by the Conservative Party, on this important matter, and he has not provided a specific answer, will he now give us a commitment and, more important, will he give a commitment to those families who are suffering, that the Government of Canada will do something about the overpayment which these families must make at this time?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, first of all I would like to thank the Leader of the New Democratic Party for having pointed out that we have had the opportunity of taking our weekly peek at the Leader of the Opposition, whom we are happy to receive in this House today.

**Some Hon. Members:** Oh, oh!

**Mr. Baker (Nepean-Carleton):** What a sweet tempered man you are.

**Some Hon. Members:** Twenty-three per cent!

**Madam Speaker:** Order, Order, please.

**Mr. Lalonde:** Madam Speaker, it seems the Conservatives would like me to say the "bi-weekly" peek. Perhaps I made a mistake.

**An Hon. Member:** You made your mistake a long time ago.

**Mr. Lalonde:** As far as the question raised by the Hon. Member is concerned—

**Mr. McDermid:** You are off on another month's trip. Tell us about your next trip, Pierre.

**Madam Speaker:** Order, please. The Chair cannot follow the debate, so I expect that many Hon. Members cannot.

**Mr. Lalonde:** Madam Speaker, as the Hon. Member knows, I have made strenuous representations to a large number of financial institutions to bear in mind the plight of individual Canadians. In a very large number of cases action has been taken, not only following my own representations but following representations by individual Members of Parliament.

**An Hon. Member:** Not true.

**Mr. Lalonde:** I hear a Member of the New Democratic Party saying that he has not been successful.

**An Hon. Member:** Not in my riding.

**Mr. Lalonde:** I would suggest it is probably because the Hon. Member has not done his job properly. I can point out to the Hon. Member a number of cases which Hon. Members on this side have settled on their own without asking the Minister of Finance to do their job. Steps have been taken. A large number of cases have been settled and arranged.

The Hon. Member wants us to go further and legislate in this regard. I have also received representations, as I indicated, from a number of Hon. Members on this side of the House on this subject over the last few weeks. We have been examining this question. There are obvious advantages to it, but there are also problems. One of the problems which the Hon. Member should bear in mind is that anything we do will have a cost implicit in it. We are concerned that this should not mean that it would lead to some increase in the total amount of interest rates which people will have to pay for mortgages, because if you force institutions to allow repayment, let us say with a three month penalty in all instances, you may face a situation where institutions may have to bear that in mind in terms of the total amount they have to charge in terms of the rate of interest.

We are examining this matter. If it can be resolved in a way which will be to the advantage of the consumer, you can be assured that this Government will take steps in that regard.

**REQUEST THAT MINISTER INTERVENE WITH CHARTERED BANKS**

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, I point out to the Minister of Finance that during the 18 month period when Canadians had to renew their mortgages at that exorbitant level of 18 per cent to 23 per cent interest, the chartered banks of Canada made \$2.5 billion in profits. I would say to the Minister of Finance that the banks are not exactly suffering. In the United States at the time when President Kennedy had comparable concern with the steel