

Oral Questions

Canadair competitor? Why, against the best interests of that company, did you reject the unanimous recommendation of Canadair's board of directors not to release that information?

[English]

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion): Mr. Speaker, I believe that question was directed to me. Let me assure the Hon. Member that no confidential information was turned over to a possible competitor of Canadair. However, in some ways I wish the Opposition would get their act together.

Some Hon. Members: Oh, oh!

Mr. Stevens: A previous questioner indicated that he did not want a fire sale with respect to Canadair. The next questioner asks why we are giving information to possible purchasers with respect to the sale of Canadair. How else does one sell a Crown corporation unless one gives relevant details concerning its operation? However, let me assure the Hon. Member that no competitively sensitive information was given.

Mr. Berger: We are talking about the Government, through its incompetence, destroying a couple of important Canadian institutions.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please. A supplementary question.

GULFSTREAM MEMORANDUM

Mr. David Berger (Laurier): Mr. Speaker, on July 23 Gulfstream Aerospace sent a memo to a potential Canadair customer asking it to reconsider its pending purchase of a Challenger. Yet the Government allowed Gulfstream—

Mr. Speaker: Order. Does the Hon. Member have a question, please?

Mr. Berger: How could the Minister and his Government give sensitive information to Gulfstream when they have the proof in black and white, in a memo from Gulfstream, that it was trying to hurt Canadair? How could you allow that to happen?

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion): Mr. Speaker, how soon the Opposition Members forget Maislin, and Consolidated Computers. Speaking about destroying public companies, how quick they forget that it was under their direction that Canadair lost over a billion dollars.

I have indicated that we are trying to secure would-be buyers who would ensure a viability for Canadair and the continued employment of those who are working for Canadair for many years to come—something that the Opposition failed to do when in Government.

● (1450)

THE ECONOMY

INTEREST RATE LEVELS—ROLE OF BANK OF CANADA

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is for the Minister of Finance. He is well aware that in today's press the banner headlines indicate that interest rates are at 11 per cent now and going up for small businesses and consumers generally. Will the Minister explain whether or not he supports this action taken by the central bank to raise interest rates in response to a slightly devalued dollar? Does he support the central bank's decision to do that?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have indicated my response to that question in reply to previous questions.

I would encourage the Hon. Member to look at the broad performance of this Government on interest rates over the last year and a half. We are committed to getting interest rates down as low as we possibly can. That is the policy of the Government and that is what we have been able to do in this term of office.

Let me also remind the Hon. Member that we have performed very, very well in terms of job creation, which is also an important part of the record of the Government.

The NDP said it wanted to set a target of 300,000 jobs last year. We created 385,000 jobs. That is performance.

Some Hon. Members: Hear, hear!

Mr. Riis: Mr. Speaker, the Minister forgot to mention that most of those jobs are part-time jobs.

Some Hon. Members: Oh, oh!

Miss MacDonald: That is wrong.

Mr. Riis: I am more concerned about the signal that the 11 per cent interest rate sends out at a time when we are trying to develop consumer and investor confidence.

ACTIVITY BY MONEY SPECULATORS

Mr. Nelson A. Riis (Kamloops-Shuswap): I have a supplementary question, Mr. Speaker. Will the Minister of Finance not agree that the slight devaluation in the Canadian dollar, which prompted this increase in interest rates, was a result of activity by money speculators only?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if the Hon. Member believes that, maybe he should give me some of the information. He should know that there are billions of dollars going through the markets every day, billions of dollars. Some of that is speculative activity, some of it is commercial activity, and some of it is related to delays in decisions by corporate treasurers in their normal trading operations. All of these result in market-place pressures. We are trying to introduce a degree of stability into the market-place,