

feasibility of introducing a program of interest-free or subsidized-interest loans to help people who want to remove the foam and do not have the resources to do so, a suggestion that was made by my local riding committee?

**Hon. André Ouellet (Minister of Consumer and Corporate Affairs):** Madam Speaker, I can assure the hon. member that this option was considered before we announced the present program which enables homeowners to obtain, not an interest-free loan but a grant, which is not taxable and may go as high as \$5,000. Obviously, this is a far more generous offer than any loan, whatever the amount, because in case of a loan, the amount must be repaid by the home owner. However, in this case, the government is giving home owners up to \$5,000. I can see why the hon. member and the members of his riding association would like to have the other method as well. I have always maintained that the offer made by the Canadian government should be matched by provincial authorities. If UFFI victims want to get more from government, they should not go to the federal government at this point but to the provincial authorities to obtain the equivalent of what we are offering.

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[English]

#### BANKRUPTCIES

##### INCREASE IN NUMBER

**Mr. David Orlikow (Winnipeg North):** Madam Speaker, my question is directed to the Minister of Finance. Last month we set a record, a record of which no one can be proud. We had, for the first time, more than 1,000 business bankruptcies in the month of March. Given the fact that we are now seeing bankruptcies of companies which have been in business for a long time, well managed and playing an important role in their regions; given the fact that one of the major reasons, if not the major reason, for those bankruptcies is the high rate of interest with which they cannot live and exist, I wonder if the minister has any idea for braking the high interest rate policy which is leading to the destruction of an increasing number of businesses in this country every month.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Yes, Madam Speaker, I think the idea is very clear that we can get interest rates down when we can succeed in getting the rate of inflation down; and there is no secret way that I know of, and no one in this House has ever revealed—no secret way to brake the high interest rates until inflation comes down. That is the idea.

##### REQUEST THAT GOVERNMENT TAKE ACTION

**Mr. David Orlikow (Winnipeg North):** Madam Speaker, given the fact that the number of business bankruptcies is increasing every month, that it increased in the province of Manitoba by 100 per cent and increased in the province of Quebec by 50 per cent, that every business bankruptcy leads to

more unemployment, that in the province of Quebec the official rate of unemployment is 14 per cent and the real rate is substantially higher than that, I wonder if the minister is prepared to see the time when we will have 2,000 bankruptcies in a month rather than 1,000, before he does something to lower the rate of interest which is killing so many businesses.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, the question of the hon. member is characteristically vague. He invites the government to do something. Day in and day out I have been explaining that the policy of the government is directed to bringing down inflation in order to bring down interest rates, in order to create more jobs. Every proposal made by the New Democratic Party during the question period, if implemented, would have the effect of driving up interest rates and creating more bankruptcies and more unemployment. That is the difference between us.

**Some hon. Members:** Hear, hear!

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#### FINANCE

##### REQUEST THAT FIXED RATE OF EXCHANGE BE CONSIDERED

**Mr. Bill Yurko (Edmonton East):** Madam Speaker, my question is directed to the Minister of Finance. Some months ago in a first ministers' economic conference some of the premiers recommended that the exchange value of the Canadian dollar versus the United States dollar be allowed to drop to the 75-cent level, to lower interest rates and stimulate the economy. Since then the Canadian dollar has fluctuated, dropping almost below 81 cents and now almost reaching to 82 cents. Has the minister examined seriously, and is the government actively considering, fixing for a period of time the exchange rate of the Canadian dollar at the 80-cent level or thereabouts versus the American dollar, so that the strength of the pegged dollar may provide some stability and may be used to lower Canadian interest rates and also stimulate foreign investment in Canada, particularly in the megaprojects?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, it is not the intention to establish a fixed exchange rate.

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#### PUBLIC SERVICE

##### EXAMINATION OF RIGHTS OF PUBLIC SERVANTS

**Hon. Walter Baker (Nepean-Carleton):** Madam Speaker, my question is directed to the President of the Treasury Board. On March 26, the President of the Treasury Board endorsed a proposal to give a parliamentary committee the task of trying to clarify the political rights of public servants and their right of speech. I have not asked him a question since then because I