

Oral Questions

prepared to take steps in this area and demand reduced interest rates?

Right Hon. P. E. Trudeau (Prime Minister): The hon. member is not without knowing that for two years now, when we set up the controls system, we have been controlling not only incomes but profits as well. Those profits also applied of course to financial institutions. So I said that all sectors will have to tighten their belts, otherwise the government would feel compelled to exercise controls.

Mr. Caouette (Témiscamingue): May I ask a supplementary question, Mr. Speaker.

I was talking of interests and we have rather seen that the rates of interest have increased. But, on the same subject, following the statement made by the hon. member for Lapointe on September 20 that an interest-free loan has been granted in the municipality of Mistassini housing project, could the right hon. Prime Minister tell the House whether he is prepared to follow the same practice and apply it systematically to municipal and provincial governments?

Mr. Trudeau: I was not made aware of the precise case the hon. member is referring to, Mr. Speaker. I will get more information on this point.

POSSIBILITY OF MAKING INTEREST-FREE LOANS

Mr. Gilles Caouette (Témiscamingue): Mr. Speaker, may I ask a further supplementary?

Considering that the municipality of Mistassini has already received a loan of \$36,000, I hope the right hon. Prime Minister will take notice that the announcement was made by the hon. member for Lapointe. I ask him whether he is prepared to maintain this practice for any municipality which is as underdeveloped as this one, in other areas of the country, in the same manner as interest-free loans are given to other countries.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the leader of the Social Credit Party of Canada knows that there is no such thing as a loan without interest. When the government borrows money from citizens it has to pay interest. If the hon. member wants to buy savings bonds with his own savings, he will receive interest from the government, that is to say interest is paid when using somebody else's money. It occurs sometimes that the government helps municipalities or foreign countries by lending them money at a reduced interest rate but this means that someone must foot the bill. The difference is paid by the taxpayer. Therefore the hon. member has the choice between having the interest paid by the borrower or by the Canadian taxpayers in general. The interest must be paid some way or other.

[Mr. Caouette (Témiscamingue).]

[English]

POSSIBILITY OF FEDERAL-PROVINCIAL CONFERENCE TO DEAL WITH JOB-CREATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is for the Prime Minister. Given that unemployment nationally has now reached 8.3 per cent, 10.8 per cent in Quebec and 12.5 per cent in the Atlantic provinces, and given the potential that such figures hold for social unrest in the country, not to mention the potential for human suffering, I ask if it is the intention of the Prime Minister or the intention of one of his colleagues to convene a federal-provincial meeting, to deal with the various measures necessary for the reconstruction of the economy in order to produce jobs?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, a meeting was held last week between federal and provincial Ministers of Finance and they dealt with this very subject.

POSSIBILITY OF ACTION BY MINISTER OF FINANCE TO CREATE JOBS FOLLOWING SUGGESTIONS FROM PROVINCES

Mr. James A. McGrath (St. John's East): Mr. Speaker, my supplementary question, directed to the Minister of Finance, is based on the refusal of the Minister of Employment and Immigration to meet with his four Atlantic provinces counterparts next November, to discuss the serious unemployment in that region. What immediate initiatives can we expect from the government as a result of the minister's recent meeting with his provincial counterparts in Ottawa, and does he intend to act upon some of the suggestions he received from provincial ministers at that conference?

[Translation]

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I intend to make a speech in the House on Thursday evening. I shall then tell hon. members about the decision made by the government following the meetings held last week where the provincial finance ministers and the ministers of industry, trade and commerce to study what could be done. The results will be known in Thursday evening in the House.

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[English]

REGIONAL ECONOMIC EXPANSION

POSSIBILITY OF ACTION BY DEPARTMENT TO CREATE JOBS IN ATLANTIC PROVINCES

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a final supplementary question to the Minister of Regional Economic Expansion? My question is again prompted by the refusal of the Minister of Employment and Immigration to meet with the four Atlantic ministers, to discuss the very grave unemployment situation in that region. I ask, given the minister's statutory responsibilities, what initiatives can we expect from his department? Also, does he intend to meet with the governments of the four Atlantic provinces, to avert what will be a serious disaster in the region this winter?