our society who need protection. You must protect your children and your parents who supported you for a great many years, because they will be facing difficult times for awhile, by paying interest rates which are a little higher, but do not let our dollar deteriorate completely; do not ask us to lower the interest rates you pay because our dollar would collapse and all those essential goods we are importing would cost more.

In that context, Mr. Speaker, this is what I say to my fellow Canadians and especially to those in my riding of Lac-Saint-Jean: Make an effort for a year, maybe a little less, maybe a little more, and pay high interest rates. Make this effort because the President of the United States, who was received with very loud applause by the official opposition for over two hours when he visited us some time ago—such loud applause in fact that we, on the government side, were wondering why—has decided to raise interest rates in the United States to 20 per cent. This is a direct attack against the Canadian dollar. We are going to support the Canadian dollar and I ask my fellow Canadians to do likewise: help the young, work for the future of our country, and everything will be back to normal within the next few months, the unemployment rate will come down and inflation which is so hard on the low wage earners will not hurt quite as much. Thank you, Mr. Speaker; I hope opposition members will see the light and understand that beyond home owners, lands, houses and corporations, there are in Canada people who have just the bare essentials to live on.

• (1740)

[*English*]

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I listened with interest to my colleague, the hon. member for Lac-Saint-Jean (Mr. Gimaïel), and I had to agree with him when he started his speech. I want to congratulate him, as well, on at least having the decency to admit that the 20 per cent interest rates in this country are causing problems and that it is not all milk and honey. However, as he progressed in his speech, I think he got lost in some of his rhetoric. At the end he said that we are going to help our young people. I do not see how we are going to help our young people by having interest rates at such prohibitive levels. First of all, it will drive them out of business. We all know that the people who are hurt the most are those who are the most vulnerable in business and, by and large, those are new and young Canadians trying to get started in business and those who have recently gone into business and borrowed money at lower rates. So when he talks about helping young people and at the same time defends 20 per cent interest rates, he is contradicting himself somewhat.

• (1750)

I agree with the hon. member for Vancouver East (Mrs. Mitchell) who said that we have only seen the tip of the iceberg. If these interest rates continue, a lot of people who have to renew mortgages in the coming year at prohibitively high interest rates, will lose their equity in their home and will be out on the street.

If the hon. member opposite intends to support the young people in his constituency as well as those in the rest of the country, he should prevail upon the government of which he is a member to pursue policies to bring down interest rates. The young people he is concerned about would then have the chance to participate in the development of this country which has so many opportunities to offer.

In the last month all of us had an opportunity to spend time in our constituencies. One of the reasons for having this time is to find out from our constituents what their concerns and problems are. Those of us who have been in our constituencies know that interest rates are the greatest problem facing Canadians today. They realize that there are no easy solutions to the problem. Most members on this side have presented some short-term and long-term solutions to the government and have suggested methods to alleviate the problem, but none of these have been acted upon.

Our constituents are justifiably concerned about high interest rates. While most people realize that there are no easy solutions, they do not see any benefit coming from the situation. It is one thing to go through a trying time in a business, to cut back on expectations and the standard of living and still face the possibility of going out of business if there is the prospect of better days ahead, but that is not the situation today. The government does not offer any long-range policies or solutions.

I should like to list four or five things that the government could do that would bring about lower interest rates and a more productive economy within two or three years. These have been stated many times before but I think they need to be stated again.

First of all, there should be a genuine willingness on the part of the government to negotiate with the provinces which produce oil and gas so that an agreement can be reached that will make Canada self-sufficient. This would create jobs and generate economic activity in the country. It would also stop the massive hemorrhage of Canadian money going out of the country to establish trust funds in places like Saudi Arabia, Venezuela, and Mexico. People become excited about the heritage fund in Alberta, but I would much sooner see a fund established within the borders of Canada than one outside the country. This is something that the government cannot seem to get through its thick skull, that we are much better off to keep that massive amount of money—something like $4 billion this year, which is—approximately equal to the total budget of Manitoba and Saskatchewan together—and at least have a chance to recirculate it and generate jobs and economic activity in this country. Instead, the government chooses to subsidize the price of oil and pay foreign producers more than Canadian producers.

In addition to sending the money outside the country, there is another unfortunate effect. That money has to be recirculated and it comes back in the form of foreign investment in this country. Provincial governments are engaged in the legislative