such as New York, Geneva, or Vienna; utilization of an existing framework for heads of state and government already involved; and linking summit agenda items with General Assembly actions.

In any event, Canada's commitment to UNICEF remains as strong as ever. A summit might have significant impact. It might accomplish the objectives of placing children's issues at the forefront of the international community's agenda. However, rest assured, Canada is giving this matter serious consideration, and we will respond to positive initiatives.

[*Translation*]

FINANCE—INTEREST RATE INCREASES—GOVERNMENT POSITION—MORTGAGE AND CREDIT CARD INTEREST RATES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, further to the announcement by the Bank of Canada that it was raising its discount rate to 12.61 per cent, I asked the Deputy Prime Minister (Mr. Mazankowski) on April 21 why the Conservative Government was going after Canadian consumers with this high-interest policy.

I reminded him then that the real interest rate—than is, the difference between the interest and inflation rates—in Canada was over 8 per cent, the highest in 20 years, and that the spread between Canadian and American rates is over 2 per cent, compared to historic spreads of 1 per cent.

I reminded the Minister and the House that an $85,000 mortgage could be financed at 9.75 per cent a year ago, but now, the same mortgage is renewed at 13 per cent, $2,000 more a year for the same mortgage. I also stated that high interest rates had forced or would force credit card companies to raise their rates to over 20 per cent on June 1 this year.

I therefore asked the Deputy Prime Minister why the Government was maintaining this high-interest policy which is painful and catastrophic for Canadian families.

True to his Government's guidelines, the Minister of State for Finance (Mr. Loiselle) answered me that the current interest rates are part of the Bank of Canada's overall policy. He also said, and I quote:

"We shall continue to support the Bank of Canada in an effort to ensure that interest rates go down eventually, but in a lasting way for the better protection of consumers."

In the Budget he presented to the House last year, the Minister of Finance (Mr. Wilson) told Canadians that interest rates would be 7.8 per cent in 1989. The Minister's forecasts are far from realistic, considering that interest rates are now, in 1989, the year forecast, at 13 per cent. To add insult to injury, in his new Budget tabled this April, the Minister of Finance predicted that interest rates would average 12 per cent over the coming year. But the actual rate has already exceeded this prediction.

The Conference Board of Canada even states that the Bank of Canada's policies, combined with the Wilson Budget, will bring interest rates even higher in 1989-90. The Conservative Government is a dream merchant, but it should not take Canadians for idiots.

While this Governement itself recognizes the ill-effects of high interest rates on our economy, it insists on using regressive measures, leading us towards a recession which is going to affect consumers, investors, workers and all Canadians in general. High interest rates are like a hidden tax. For those who must renew their mortgage, the additional interest payments are often higher than the increased personal taxes and sales taxes that they have suffered since 1984 and that they will have to suffer once again with the new Wilson Budget.

In August 1988, the provincial Premiers asked the federal Government to reconsider its high interest rate policy. During their recent meeting, the Premiers repeated their request, supported by provincial Finance Ministers. The Government hasn't done anything in this regard.

In 1986, the official Opposition asked the Governement to put a ceiling on the high interest rates charged by banks and large department stores on credit cards. The Government didn't do anything then and it still hasn't done anything. Credit card users who are better