

production of mining equipment? We are importing machinery for our own mines when we should be a leading exporter.

Unlike countries such as Finland and Sweden, we have failed to capitalize on domestic markets, failed to devote sufficient research and development effort to mining technology, and failed to seek out export opportunities. When the Hon. Member for Nickel Belt was Minister of State for Mines there was some sign of movement. Since she left that portfolio, however, nothing seems to have happened.

A few Canadian companies have proven that it is possible to be successful in this field. Let mining companies and equipment manufacturers put more effort into developing new and more efficient tools so that Canada can recapture its fair share of the domestic and world market for mining equipment.

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EMPLOYMENT

GRANT GIVEN TO ITALIAN ALLIANCE OF TORONTO

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I want to return to the matter of the grant to the Italian Alliance of Toronto. This was a grant of \$583,000 given to them by the Minister of Employment and Immigration.

There was a political group formed in Toronto in 1983 of prominent Liberals who were seeking money to organize the Italian community for the Liberal Party. The same group of people formed a society. They received a grant for what they wanted, for a store front office, and so on. I raised complaints in the House of Commons. The Italian community raised complaints about this grant. The Minister said at the time that he did not know the politics of the people involved, in spite of the fact that he was chief political Minister for Toronto. So he was either corrupt or he was incompetent.

The Minister met with the Italian community. He was going to cut the grant to one-third. He said: "But you figure it out for yourself. You talk to Mr. Joseph Volpe. Mr. Volpe said, of course: "Don't cut the grant". We warned at the time that the group could be used for political purposes, or at the very least, it gave a bad smell to the affair. So what happens? We find now that 25 delegates have been delivered by Mr. Volpe to the Minister of Employment and Immigration.

• (1115)

If this were the United States, Mr. Speaker, the Minister would be gone. We have a docile press in Canada, with a few exceptions, which is not really reporting this properly. We are seeing the sleazy Liberal Party whose candidate for the new Liberalism, the Gary Hart candidate, is buying 25 delegates with \$583,000 of our money.

Oral Questions

POLITICAL PARTIES

LIBERAL PARTY'S SOLICITATION OF FUNDS FROM JUDGES

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, we know the Government has always felt it had a special relationship with judges. Witness the fact that their telephone directories are always conveniently handy. The latest is a letter from the Prime Minister (Mr. Trudeau), sent not only to a judge but to a judge at his court chambers. The letter says in part:

I have enclosed a special letter from Liberal Party treasurer, Gordon Dryden—

That special letter is four pages of paranoia. It says in part:

We must not let the politics of selfishness and fear leave us helpless in the years ahead—casting aside our concern for our neighbour, grabbing whatever we can for ourselves.

There is a P.S.:

Remember your contribution to the Liberal Party entitles you to a tax credit of up to 75 per cent and the pride in knowing that you have come to the aid of Canada in her time of great need.

Mr. Speaker, I can understand the paranoia of the Liberal Party treasurer because it is difficult for them to raise money. I can understand their desire to raise money, but please, in the process, leave the judges alone.

ORAL QUESTION PERIOD

[English]

FINANCE

INCREASE IN MORTGAGE INTEREST RATES

Mr. Howard Crosby (Halifax West): Mr. Speaker, I have a question on mortgage interest rates for the Minister of State for Finance. Yesterday a major Canadian bank announced its new rate for a five-year residential mortgage would be 14.5 per cent. Everyone in the real estate industry knows a rate higher than 14 per cent is a serious danger signal. Home owners cannot make the higher payments, those seeking homes cannot afford to build or buy, construction stops, and jobs are lost.

What is the Government's policy on mortgage interest rates? Has the Government turned its back on the four million Canadian families who must face higher mortgage payments? The Government promised interest rates would be made in Canada for Canadians. Will the Minister now admit that this is another broken promise?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite has expressed a concern that any of us would share if we saw evidence of a major increase in interest rates in Canada. We do not see that evidence. Indeed, if the Member were to consider yesterday's developments, he would recall that the bank rate declined yesterday. While fluctuations will occur, the bank rate is today