

*Government Orders*

interest rate policy of the government, we are entering into a period of random cruelty brought on by what I would call a kind of chronological roulette. There are many families in Canada right now who are sitting at or near the end of a three-year or a five-year mortgage and who now have an interest rate that they have found a way to live with, even though it may have been onerous.

I heard from a constituent yesterday who said that he was coming to the end of a five-year mortgage. I believe he said that his interest rate was 10.5 per cent, which is still 4.5 per cent over the 6 per cent over 25 years which a previous generation had to pay for their houses. In any event, 10.5 per cent does not look so bad these days.

This person's five-year mortgage is coming to an end. He went through this in the early 1980s. He almost lost his house, and has spent the last several years recovering from the early 1980s and now faces once again the prospect of losing his home, only now of course losing it after another decade of investment which makes it all the more threatening.

This is happening all over the place. It is one of the reasons why I will never ever be a fan of the kind of economic system that we have in this country. Any economic system which by virtue of some macro-fiscal policy that a Minister of Finance applies from time to time because in his wisdom or lack of it he thinks will have an effect on inflation, any policy that can just like that throw people out of their homes because they are unable to meet the new payments demanded of them in a renegotiated mortgage situation, is to me on the face of it so morally unacceptable that I cannot understand or fathom why people would want to come to its defence. If the Minister of Finance does not wake up, this is what is going to happen to more and more families, particularly young families in Canada.

We often hear pro-family rhetoric from Conservative members. Indeed, we hear it from Liberal members who belonged to a government in the early 1980s that pursued exactly the same policy. It is these kinds of economic policies which are more destructive to the family than anything else that one can imagine. It forces mother, father and everyone who can possibly get a job to work in order to try and meet these new economic circumstances. This is the rat race gone wild for a lot of people.

It is about time that the Canadian people made it absolutely clear to the Minister of Finance that they do not want to have anything to do with the high interest rate policy and that they are willing to take their chances on a little bit of inflation, if that might be the result. I am not even sure that it would be, but that is the prevailing theory.

Another thing, of course, with respect to interest rates is that the reason offered for high interest rates is so Ontario-centric. We have high interest rates in order to cool down the economy in southern Ontario, and the rest of the country be damned. If that means that farmers in western Canada and other small business persons and families in the rest of the country have to go under in order to cool the Ontario economy down, well then so be it.

It is no wonder that we have regional alienation in this country when that is the case and when it is so clearly seen to be the case. When farmers at this critical point have heard that the price for their wheat is going to be low once again, at a time when they are facing drought, when they face continuing high costs for fertilizers and pesticides, and increased competition from the United States and the European Community, and when they see the whole agricultural system moving in a direction which would remove even those supports which they now have, on top of all this, they have to suffer the high cost of money that this government is inflicting on them through its high interest rate policy. Many of them are not going to be able to afford it. They are just simply going to go bust and walk away.

Every time a farmer leaves the land, every time a family has to move into town or particularly to a big city, a little bit of Canada dies, a little bit of the Canada that the Conservative party said for decades that it valued. Yet, this is the little bit of Canada which time and again the Conservative party is sacrificing to the values of the market-place. In so doing, it is betraying its own people, betraying its own tradition, and betraying the very soul of Canada.

The other thing that needs to be said, and I do not think has been said nearly often enough, is that the high interest rate policy is related to the free trade agreement.

I was on the External Affairs committee and travelled with that committee studying the elements of the deal in the fall of 1987. I recall a meeting here in Ottawa. The former minister of finance for a Liberal government, Mitchell Sharp, appeared before the committee. He said to the committee members, but particularly to the