

*Oral Questions*

Minister, and the new-found buddy of the Minister of Labour, the ineffable Clyde Wells, has clearly stated?

**Hon. Lucienne Robillard (Minister of Labour, Lib.):** Mr. Speaker, should there be a no vote in the referendum, you will see this country continue the transformation it began 30 or more years ago. And judging by how the people of Quebec have fared within this country over the past 30 years, we have every right to be proud of who and what we Quebecers are. This has been accomplished within the Canadian federation. We have always played a lead role in that federation. And after the no, we shall still be there, continuing to transform this country.

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• (1425)

[English]

### THE ECONOMY

**Mr. Preston Manning (Calgary Southwest, Ref.):** Mr. Speaker, in the past two days the value of the Canadian dollar has dropped by a cent and a half, interest rates have jumped alarmingly—the bank rate went up by 1 per cent today—and Canadian stock markets have witnessed the worst times they have had in eight years. The separatists are getting a foretaste of the economic consequences of their position.

Would the finance minister tell Canadians in plain terms what a vote against federalism on October 30 would mean for their bank accounts, their mortgages, their jobs and their economic future?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, there is a direct correlation between lower interest rates and a higher quality of life. Lower interest rates mean higher retail sales, therefore a stronger domestic market. It means more construction. It means more job creation. It means heavily indebted governments will have more money to spend on the needed social programs.

Markets react very negatively to political uncertainty. I cannot think of greater political uncertainty than arises out of those who would threaten to break up a country.

**Some hon. members:** Hear, hear.

**Mr. Martin (LaSalle—Émard):** To answer the member's question, it will lead directly to higher mortgage rates, lower job creation rates, lower retail sales and less money available to governments. In the case of the people of Quebec it also means tremendous uncertainty over the fate of the economic union and over the fate of their creating relationships with the United States.

[Translation]

The fact is that a country cannot be destroyed without grave consequences for its people and their lifestyle. Those who deny the consequences of separation deny the truth.

[English]

**Mr. Preston Manning (Calgary Southwest, Ref.):** Mr. Speaker, the separatists have been trying to downplay the economic consequences of the instability of the past few days. They have been trying to chalk it up to federalist fearmongering but money markets are not easily swayed by emotion or scare tactics. As the minister says, they react negatively to instability while they react positively to stability, certainty and positive initiatives.

My supplementary question is for the Minister of Finance. Will the minister tell the House what positive steps can be taken to restore the faith of investors and lenders in the future of Canadian federalism?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, fearmongering is the result of those who espouse an option and who are afraid to tell their people the consequences of the option they are espousing.

**Some hon. members:** Hear, hear.

**Mr. Martin (LaSalle—Émard):** However, there is a very clear way. It is the only way to reduce this uncertainty. There is only one way to reassure the markets and that is to unequivocally vote no on October 30.

**Mr. Preston Manning (Calgary Southwest, Ref.):** Mr. Speaker, it seems to me there is one other thing that disillusioned Quebecers and sceptical money markets are both missing, which is the good news that Canadian federalism is going to change for the better. Canadians want it to change, the provinces want it to change, reformers in all political parties want Canadian federalism to change for the better.

Quebecers can develop their language, their culture, their resources, their destiny within that federation. They do not need a yes vote and they do not need constitutional lawyers to guarantee that federal security.

Will the finance minister make it clear the federal government is open to substantial positive changes within the federation, changes that do not require constitutional change, so that a no vote can mean both no to separation and no to the status quo?

• (1430)

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, I have been attending federal and provincial finance minister meetings over the course of two years. I can say that without any exception at every single one of those meetings, every finance minister representing his