

*Oral Questions*

brought under control and when the budgetary deficit of \$11 billion is brought under control.

Our policies are aimed, Mr. Speaker, at bringing interest rates down as soon as economic conditions permit. That is what we are dedicated to. What prevents us now is the record left by the hon. gentlemen opposite.

**Some hon. Members:** Hear, hear!

**Mr. Gray:** A final supplementary question, Mr. Speaker. The hon. minister's policies are just the opposite. He is following the policies of the Mad Hatter in Alice going through the looking-glass.

I want to ask the minister if he will bring in a budget immediately which will state the government's fiscal policies to deal with the country's needs in the face of these high interest rates and the very high increases in energy prices his government is promoting and agreeing to, or is he going to continue on a course of vagueness and evasiveness indefinitely, a course which he has been following and the government has been following for the past five months?

**Mr. Crosbie:** Mr. Speaker, if it is the Mad Hatter and looking in the looking-glass, the hon. gentleman only has to look in the glass himself to see the Mad Hatter, because he was associated with the minister of finance who also had to agree to interest rate increases because of the shape that his government brought the economy to.

As far as the budget is concerned, I am very anxious to bring down the budget. One matter that is preventing me is this, that there are a number of pieces of legislation left over from the Liberal budget of November, 1978. We cannot bring in our own budget until they are cleared up, because we cannot have our own ways and means motions before the House until that legislation is cleared up. So if the hon. gentleman would co-operate to put through the remnants of their own budget, left shamefully from November to March without any action, then we would bring down our budget. I am very anxious to bring that down and get Canada on a new course and to protect us from the effects of the last budget.

**Some hon. Members:** Hear, hear!

## INCREASE IN INTEREST RATE—EFFECT ON MORTGAGE RATE

**Mr. Lloyd Axworthy (Winnipeg-Fort Garry):** Mr. Speaker, my question is also for the Minister of Finance. On October 18, 1978, as reported at page 238 of *Hansard*, when in opposition the minister said:

These people are being crucified with an 11½ per cent mortgage rate—

Would the minister make the judgment now that, as a result of his policies and his government's policies we have the mortgage rate going up to 14½ per cent, the people of Canada are not being crucified but are being drawn and quartered by an unmerciful government that no longer has a care for those ordinary people? Does he realize the housing industry is in severe recession; building starts are down 30 per cent?

[Mr. Crosbie.]

● (1420)

**Some hon. Members:** Oh, oh!

**An hon. Member:** Order.

**Hon. John C. Crosbie (Minister of Finance):** Mr. Speaker, I will give the hon. gentleman this opinion that, yes, people are being crucified now with high interest rates because of the record of that last ten years.

**Some hon. Members:** Oh, oh!

**Mr. Crosbie:** But, Mr. Speaker, the crucifixion they are having now will be a lot less than they will have in a year or two's time if we do not run this economy properly. That is what our program is dedicated to achieving.

The hon. gentleman should read the statement of Governor Bouey today and see why interest rates have had to continue to go up, and why they have gone up in the United States, and see how serious this issue is.

**Mr. Axworthy:** Mr. Speaker, my supplementary question is for the Minister of Finance. In the statement of Governor Bouey where he said that he has been making recommendations, is it not true that it is this Minister of Finance who is agreeing with those recommendations, and is it also not true that it is this Minister of Finance who refuses to take any action whatsoever to help the consumers of housing who are facing a 30 per cent increase in carrying costs? Is it not this Minister of Finance who refused to take any action to stimulate the housing market, and is it not this Minister of Finance who acquiesces with the minister of housing, whose only action in the housing field is to take people to jail?

**Some hon. Members:** Hear, hear!

**Mr. Crosbie:** Mr. Speaker, I suppose I should be devastated by that question.

**Some hon. Members:** Oh, oh!

**Some hon. Members:** Hear, hear!

**Mr. Crosbie:** I introduced into this very House, Mr. Speaker, just two days ago the mortgage interest and property tax deductibility bill that is going to help stimulate our housing industry—

**Some hon. Members:** Hear, hear!

**An hon. Member:** That is a joke.

**Mr. Crosbie:** —and help the Canadian home owner, whom the hon. gentleman opposite left unaided and who opposed that measure in the election. I call on the hon. gentleman to whip through this mortgage interest and property tax deductibility bill so he can help the home owners he says he is so concerned about.

**Some hon. Members:** Hear, hear!