

### *Interest Rate Policy*

those requirements dealing with conflict of interest as they relate to the chairman of the Canadian Film Development Corporation. The chairman of that corporation indicated publicly over a month ago that he transmitted the information to the government many, many weeks before that. Yet, Madam Speaker, we have still not received an answer.

Since that time one of the appointees to the Canadian Film Development Board, who was appointed earlier this year by the Minister of Communications (Mr. Fox), has resigned because of a conflict of interest not noted at the time of his appointment. Second, the chairman of the Canadian Film Development Corporation has himself indicated that clients of his law firm in the film business come before the CFDC to request financial assistance and he benefits financially because they are clients of his firm.

This is a question of considerable importance, particularly in view of the fact that, if the government delays any further, the chairman of the CFDC will have resigned—his term runs out at the end of this month—before I get an answer to my question.

In view of the assurances given in the House on numerous occasions that an answer would be given to my question, can the parliamentary secretary tell me what the answer to the question is?

**Mr. Evans:** Madam Speaker, I was not in the House when the hon. member inquired of the President of the Privy Council about this matter last week. This matter was checked. We know the answer is being prepared in the department but we have not received it yet. I expect the hon. member will receive his answer in very short order.

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## GOVERNMENT ORDERS

[English]

### BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 58—NON-CONFIDENCE MOTION—INTEREST RATE POLICY

**Mr. Edward Broadbent (Oshawa)** moved:

That this House condemn the government for following a made-in-Washington interest rate policy and for breaking its promise to the Canadian people in the Speech from the Throne that "it recognizes the need to protect those Canadians most affected by unacceptably high interest rates".

He said: Madam Speaker, during the past hour two significant statements have been made. One revealed to Canadians that we now have an interest rate which has jumped beyond 19 per cent, the highest interest rate in the history of Canada. The second statement came some time earlier from the Prime Minister (Mr. Trudeau) in response to my question concerning precisely the same interest rate problem. The Prime Minister said that he was finding questions on interest rates raised by the New Democratic Party to be repetitious. I want to say through you, Madam Speaker, to the Prime Minister that the

questions on interest rates coming from the New Democratic Party are repetitious because the problems are still there. They are not going away. The people of Canada keep asking us questions and we intend to keep asking the Government of Canada questions about interest rates until the government changes its high interest rate policy.

The Liberals made-in-Washington high interest rate policy is a high interest policy which reveals low interest in the needs and concerns of working Canadian men and women. It is a policy of little interest indeed to the concerns of home owners and families who want to buy their first home. It is a policy showing no interest in small business, those men and women who want to expand and rely on the banking system to provide reasonable costs for such expansion. It is a policy which lacks any interest at all in the farmers of Canada. It is a policy that is indifferent to the needs of fishermen and others who rely on reasonable credit costs. In short, the high interest policy of the Liberal Party of Canada totally ignores the interests of the vast majority of Canadians.

Let's face it, the Liberals have an interest policy with only two interests behind it. The first is a policy which is determined to go on giving what can only be described as immorally high profits to the banks and the other lending institutions of Canada. Second, I would stress it is a policy that clings blindly to the misguided economic notion that our high interest rate policy must be made in Washington, not in Ottawa. I will come back to that in a moment.

Consider first the banks. The average increase in first quarter profits in 1981 of our seven chartered banks over the same period last year was 58.3 per cent. But with every new interest rate increase like the one we have experienced today, and the added hardship it provides to Canadians, shouts of joy can be heard in the banks' head offices from one end of the corridors to the other. Nonetheless, the Liberals remain with what can only be described as a doctrine attitude on monetary policy. And while they let Washington lead them around in circles, it is the working men and women of Canada who find themselves dizzy from this unstable economy the Liberals have created.

Despite overwhelming evidence, whether from the United States, the United Kingdom, or previous Conservative governments, the Liberals still retain a policy which cannot be justified by any rational consideration of the facts. Even former finance minister Walter Gordon is telling the present Minister of Finance (Mr. MacEachen), a former Liberal colleague, that the MacEachen monetary madness has gone far enough. And Mr. Gordon, surely, is right.

Consider Mr. Gordon's points. He demands that the government take action "sooner rather than later so more people won't lose their home and most small businesses don't go bankrupt". He adds that the current high interest rate policy is fuelling rather than fighting inflation. He says the banks' present course is damaging to people and rather than providing a solution it is exacerbating the problem. I say, and I am sure that I speak not only for New Democrats in this House but for Canadians all across the land, that Mr. Gordon is surely right.