

Oral Questions

I am asking the hon. member on behalf of my colleagues from the Montreal area whether he is against government subsidies to organizations which create hundreds of jobs in Montreal.

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THE BUDGET

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of Finance.

The minister is bragging about helping our job creating industries when, at the same time, his budget predicts real interest rates three full points above those in the United States, our main competitor. This is an unbearable anti-competitive gap.

How does the minister think he will create jobs while imposing such a costly burden on Canadians? By praying?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am sure the hon. member will be pleased to know that the bank rate dropped by six basis points today. That is a clear example of the confidence in this budget.

There are also some other very encouraging signs. In spite of all the gloom and doom that the members opposite always raise, it is interesting to note that General Motors is calling back 2,700 workers in this coming year at the assembly plant in St. Thérèse. It says: "This is because of the high quality levels of union co-operation and we were able to persuade the head office to make us the only Firebird and Camaro producer in the world. We are alive and well and ready to compete".

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, surely the hon. minister has been in the job long enough to understand the difference between real interest rates and nominal interest rates. Our real interest rates are crippling compared to the American's.

The assumptions that are set out in the budget are less than honest as, indeed, was that answer.

The minister says he is going to lower the unemployment rate, yet he also calls for economic restructuring without any adjustment measures and that means massive job loss.

He calls for real interest rates to continue at a level substantially higher than the American's. No retraining, little R and D.

Who does the minister really think is going to turn the Canadian economy around, John Crow or St. Jude the patron saint of hopeless causes?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Canadian prime rate is 7.5 per cent. The U.S. prime rate is 6.5 per cent. What is the hon. member complaining about?

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THE CONSTITUTION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister responsible for Constitutional Affairs.

There has been great progress made in the talks of the joint parliamentary committee. All of us on that committee are working in the interests of unity of this country. I truly believe that all of us who have worked on the committee feel that commitment very strongly as federalists.

I want to say to the minister that, yes we are now down to the wire and negotiations go this way. We all understand that. Also, we want to make reasoned decisions and we want to make them in the light of day and not at 3 a.m. or 4 a.m.

In the interests of working toward unanimity which we would like to see, will the minister consider a delay of one week until the House resumes after its one week recess so that we can meet again to come up with the final report rather than having to do that tonight and tomorrow morning?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I agree entirely with the leader of the New Democratic Party that there has been extraordinary progress made on the great majority of substantive issues. None of us would have believed this progress to be possible two or three months ago.