

The Minister has a lot of courage, so would she care to come along next Monday and meet the citizens' committee and union chairmen? Is she ready and does she have the courage to come to this meeting and give the same silly answers she is giving now?

Hon. Flora MacDonald (Minister of Employment and Immigration): Mr. Speaker, the Liberal Party has always lacked confidence in the Montreal area, in the province of Quebec and even in Canada!

[English]

It really is a shame that the Liberal Opposition lacks such confidence in the country that it cannot recognize that in the last year 300,000 new jobs were created. Some 51,000 new jobs were created in the City of Montreal, and almost 100,000 new jobs were created in the Province of Quebec. That is a record to be proud of.

Some Hon. Members: Hear, hear!

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BANKS AND BANKING

CANADIAN COMMERCIAL AND NORTHLAND BANKS—BANK OF CANADA LOSS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is directed to the Minister of Finance who is well aware that the Bank of Canada has received less than 2 per cent of the total liquidity package that it provided for the Canadian Commercial Bank and the Northland Bank, leaving a balance of \$1.291 billion, and increasing by an interest loss in excess of \$10 million per month.

What assurances can the Minister give the House and the people of Canada, knowing that it has already cost taxpayers \$1 billion, that the final bail-out package for the Canadian Commercial Bank and Northland will not be \$2 billion, or perhaps even \$3 billion? What assurances can he give?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member is using outrageously exaggerated figures. He knows what the Bill is before the House. The Minister of State for Finance has indicated that there will be recoveries on the sale of assets on the unwinding of the loans which are in place right now. This will reduce the amount in the Bill to a lesser amount as it occurs over the next couple of years.

EFFECT OF LOSS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, the Minister knows that it will take at least a couple of years or many more years, likely, for all the assets to be disposed of and to return at least a portion of that \$1.3 billion to the central bank.

Knowing that this incredible cost has to be picked up by the Bank of Canada, at least in the short run, and by the Canadian economy as well, what will be the effect of this outstanding

balance of \$1.291 billion, increasing at \$10 million per month in lost interest, on interest rates, inflation, and monetary policy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my understanding is that the liquidator has already received some funds back on the liquidation of assets, so the recovery is starting right now. However, in response to the Hon. Member's question, the economy has been growing at the rate of 4 per cent per annum. That is pretty good, I should say. The inflation rate is less than 4 per cent, and 300,000 jobs have been created. As my colleague has said, 70 per cent of those jobs are full-time jobs. Investment in the country has been increasing at 20 per cent per annum. Housing starts are growing at the rate of 170,000 per annum. I could go on and on.

INQUIRY ABOUT POSSIBLE CONSEQUENCES

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, the Minister knows that there is an opportunity to make statements of that kind. I will ask him my question again. When he made the original decision to provide the liquidity from the central bank, and when he knows that it is costing in excess of \$1 billion, what effect will the pay-back to the central bank over many years, costing us hundreds of millions of dollars in lost interest charges, have on the interest rate policy, the monetary policy, and on inflation, knowing that someone has to make up the difference in both the short and long run?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member is not listening to the answers to questions. I indicated to him that the amount it will cost taxpayers will be less than the amount which is in the Bill before the House right now. As he knows, that amount is less than \$1 billion. The premise on which the first part of his question is based is dead wrong, as are all the premises on which the Hon. Member bases his questions.

● (1425)

On the matter of interest rates, why does the Hon. Member suggest that interest rates should be rising at all? Interest rates have come down three percentage points in the last 12 months to the lowest level we have seen since 1978. Surely the Hon. Member should be congratulating the Government for getting interest rates down.

[Translation]

REQUEST THAT GOVERNMENT FULFIL PROMISES

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is also directed to the Minister of Employment and Immigration.

There are now 755 people, 755 workers in Salaberry and Saint-Jean who were advised yesterday that they would be losing their jobs in June 1986. The reason behind the shut-down is a massive and uncontrolled increase in imports. Could the Minister inform the House whether her Government