Can the minister assure the House that the employees who have gone back to work are adequately protected against the hired muscle boys who are now intimidating these people?

Mr. Ouellet: As much as possible, Mr. Speaker, security measures are being taken so as to enable all our employees wishing to work to fulfill their task according to the clauses of the collective agreement which stipulates that no strike must take place before the expiration of the agreement, that is by the end of December this year.

Mr. Claude Wagner (Saint-Hyacinthe): I would like to put a supplementary question to the Postmaster General.

In view of the very real technological changes and therefore the difficulties that postal workers are having in Montreal, is the minister prepared to postpone the deadline of the postal code operation in order to negotiate with union representatives concerning all the consequences that this new system may have on employees and guarantee job security?

Mr. Ouellet: Mr. Speaker, the hon. member's comments indicate that he does not know what he is talking about.

• (1430)

[English]

 $\mbox{\bf Mr.}$   $\mbox{\bf Speaker:}$  Order, please; I will recognize the hon. member—

[Translation]

I recognize the hon, member for Saint-Hyacinthe, [English]

I notice that the hon. member for Mackenzie has been trying for sometime today as he was yersterday to ask a question and I will recognize him in due course.

[Translation]

For the time being, the hon. member for Saint-Hyacinthe has the floor.

Mr. Wagner: Mr. Speaker, I wish once again to ask the Postmaster General a question.

Although I may be willing to submit to the hon. member's arrogance, unionized workers in Montreal will not.

Would the hon. member kindly reply to my very precise question and advise the unionized employees of the Post Office whether he intends to grant them job security and postpone the deadline for the introduction of the postal code operation in order to facilitate the present round of bargaining? Is the hon. minister willing to reply to this question, instead of giving new evidence of his well-demonstrated arrogance?

Mr. Ouellet: Mr. Speaker, union leaders have not asked for any postponement. They only asked that the classifications of a number of employees be reconsidered. The statements made are nonequivocal in this respect. Nobody opposes automation in the Post Office Department or the mechanization of our work. While the hon. member is asking us to postpone the mechanization process, this is not even what is being asked by the very employees concerned.

Oral Questions

[English]

Mr. Speaker: The Chair will recognize the hon. member for St. John's East on a supplementary, to be followed by the hon. member for Broadview and then the hon. member for Calgary North.

FINANCE

MEASURES TO OFFSET EFFECT OF HIGH INTEREST RATES ON DEVELOPMENT OF ATLANTIC REGION—GOVERNMENT POSITION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct my question to the Minister of Finance. In view of the fact that the most recent figures indicate an upward trend in unemployment in the Atlantic provinces, and in view of the fact that the latest survey shows that high interest rates are operating counterproductive to the government's regional development policies, I would ask what steps the minister proposes to take to offset the effect of these high interest rates on regional development, especially in the Atlantic provinces?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the fiscal policies of the government include the initiatives proposed and fulfilled by my colleague the Minister for Regional Economic Expansion, and the Atlantic province region is one of the prime beneficiaries of those policies.

Some hon. Members: Hear, hear!

POSSIBLE CHANGE IN GOVERNMENT POLICY ON EXCHANGE RATE

Mr. James Gillies (Don Valley): Mr. Speaker, my question is directed to the Minister of Finance. Yesterday when the minister was trying to explain the policies the government has followed he suggested that one reason for the rise in the interest rate in Canada was related to the international situation, yet consistently he has said in this House that the government's policy in respect of the exchange rate is to let it float freely. I would ask the minister today whether there has been a pronounced change in the government's policy in respect of the exchange rate, and what it is?

Hon. John N. Turner (Minister of Finance): No, Mr. Speaker.

An hon. Member: That's absolutely ridiculous.

Some hon. Members: Hear, hear!

POSSIBLE INCREASE IN MORTGAGE INTEREST RATES—GOVERNMENT ACTION TO PROTECT PURCHASERS OF HOMES

Mr. John Gilbert (Broadview): Mr. Speaker, my supplementary question is directed to the Minister of Finance. In view of the predicted increase in mortgage interest rates of one per cent, making a \$40,000 mortgage at 11½ per cent interest cost an additional \$8,205, thereby increasing the