

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[English]

GOVERNMENT ANNUITIES**RETURN TO INVESTORS**

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, as the Government is well aware, there has not been an increase in the yield on Government annuities, I believe, since 1976, despite assurances by the Government that increases would be reviewed from time to time to reflect the ongoing increases in the cost of living. This problem has been under study by the Department of Employment and Immigration for some years, and still no decision has been made.

The people who invested in these annuities did so in all honesty, and I believe they have the right now to demand that the Government should at last take the necessary measures to introduce some relief for annuity holders, who purchased Government annuities in good faith, to supplement their incomes and retirement funds.

An over-all review of the annuity situation, as well as a review of other kinds of Government investment portfolios, are long overdue and badly needed. I believe that low yielding annuities purchased some 25 to 30 years ago should be redeemed at full value to eliminate this unfortunate problem. It is my sincere hope that the Minister of Finance (Mr. Lalonde), in his new budget expected soon, will bring forth the necessary solution and legislation to do just that.

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AGRICULTURE**PRINCE EDWARD ISLAND SUPPORT FOR CANAGREX LEGISLATION**

Mr. George Henderson (Egmont): Madam Speaker, most Canadians are aware that the potato industry has provided my home province of Prince Edward Island with the livelihood that has made our Province famous. Prince Edward Island is blessed with a climate and soil well suited to agricultural production. Service industries, processing industries, and retailers alike, are dependent on the agricultural industry. The success of agriculture has a great influence on Islanders and so is of great importance to me.

Many months ago Bill C-85, a Bill of great importance to farmers across the country, was introduced to the House. This Bill will allow the establishment of a Crown Corporation called Canagrex. All of Prince Edward Island's Members of Parliament are aware of the outstanding support shown for this Bill by such organizations based in P.E.I. as the P.E.I. Potato Producers Association, and Cavendish Farms, which have come out in favour of the passage of the Canagrex Bill.

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As well, P.E.I.'s executive members of organizations such as the National Farmers' Union and the Horticultural Council have indicated their support for this legislation.

It is my sincere hope that the Members of this House will show their support of the agricultural industry on Prince Edward Island through strong support of Bill C-85 when it again returns to the House.

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INDUSTRY AND LABOUR ADJUSTMENT PROGRAM**SUGGESTED DESIGNATION OF ERIE CONSTITUENCY COMMUNITIES**

Mr. Girve Fretz (Erie): Madam Speaker, some communities have been more hard hit by the effects of the recession than others. Many towns which have only one major industry are devastated when that business shuts down. The Government has made provision to assist such areas under ILAP, the Industry and Labour Adjustment Program.

As the Member for Erie I am acutely concerned about certain areas in my constituency and the regional municipality of Niagara, which are suffering from massive unemployment due to slowing down and the closing of key industries. With unemployment estimated to be 19 per cent in some areas of my riding, I feel it would be very appropriate that these communities be aided under the Industry and Labour Adjustment Program. If only 12 areas have been designated so far under ILAP, surely there must be funds remaining for distribution to communities such as these in my riding and others.

When I look at regions with less unemployment than Erie riding receiving funds under ILAP, it raises doubts as to the equitable distribution of money available through this Program. It has become increasingly evident by the placement of ILAP designations that ILAP is being misused and seems to be little more than a promotion scheme. I say either the Program must be directed where the need is, or it should be dropped altogether before we become totally disillusioned with what appears to be blatant patronage.

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THE ADMINISTRATION**ESTIMATING SIZE OF DEFICIT**

Mr. Paul E. McRae (Thunder Bay-Atikokan): Madam Speaker, many economists differentiate between short-term deficits and longer term or structural deficits, the latter being far more dangerous than the former. Thus when a national deficit is adjusted to remove the effects of a recession, we can determine whether the deficit is short-term or structural and whether it is deemed dangerous or not.

A study done by a group of economists at the University of Toronto, Institute of Policy Analysis, indicated that, when one