

a major problem to the industry. Is he urging the Minister of Finance to do something about that?

After seven years of the minister's claiming credit for all the good things, the industry is now in dire straits. When will the minister meet his responsibilities? What does he plan to do in his jurisdiction to help in the situation? These are major plants, and most of them are in the district of Burin-St. George's.

**Hon. Roméo LeBlanc (Minister of Fisheries and Oceans):** Madam Speaker, the division between the offshore and the inshore fisheries has been the subject of considerable debate over the years. The hon. member may not remember, but the government which multiplied the fish processing plants—and I am not trying to pass the buck; I am simply establishing some facts—also advocated a division between the offshore and the inshore of the order of 15 per cent for the offshore and 85 per cent for the inshore. I resisted that advice of the Newfoundland government. We have tried to help the offshore, and large fishing vessels have obtained very major increases in their landings. However, the major companies, faced with rather high inventories because of United States resistance to the accumulation of fish in their warehouses, are having some difficulties. This is a matter which was addressed by the Fisheries Prices Support Board. Recommendations have been made, and I hope to take to the cabinet in a matter of days the recommendations of the Fisheries Prices Support Board.

\* \* \*

## THE ECONOMY

### DROP IN INCOMES

**Mr. Bob Rae (Broadview-Greenwood):** Madam Speaker, the Americans have the neutron bomb, which destroys people and leaves property intact, and we have a Minister of Finance and high interest rates which amount to the same thing.

I would like to address a question to the Minister of Finance respecting farm incomes, farm indebtedness, and the question of bank profits. It has been revealed by Statistics Canada that farm incomes all over Canada in 1980 were down 16 per cent. In Manitoba they were down 75 per cent, and in Ontario 30 per cent. Indebtedness, however, has increased to the point where the total indebtedness in Ontario of \$600 million is equal to total farm income for 1980. Bank profits have risen to \$1.2 billion.

**Madam Speaker:** Order, please. Hon. members are exaggerating. Their preambles are so long that I do know how much time I can allow for answers to questions of such length, because obviously sometimes the answers might be a bit longer than the questions. Would hon. members please be brief in their questions?

**Mr. Rae:** Madam Speaker, I will put my question quite simply. In view of this pattern of indebtedness and bank profits, how is it possible that the minister was quoted last

week as saying that the banks were "bleeding a little", when all the evidence is that it is the farmers, home owners and small business people of Canada who are bleeding, and not the banks?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, even though you invited the hon. member to ask a question, I did not hear it. He is before the wrong audience if he wants to make that kind of speech.

### ROYAL BANK MORTGAGE SCHEME

**Mr. Bob Rae (Broadview-Greenwood):** Madam Speaker, I would like to ask the minister how it is possible for him to have said in this House last week that he regards a proposal which would increase the indebtedness of home owners as a progressive proposal from the Royal Bank. He said it was a move in the right direction. It would cost the Royal Bank two fifths of 1 per cent of its profit. How can the minister possibly stand in his place and say that that kind of proposal, which increases the indebtedness of home owners to the tune of \$2,000, \$3,000, \$4,000 and \$5,000, is conceivably a step in the right direction?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I will attempt to explain to the hon. member that there are certain home owners in current circumstances who have cash flow problems and accumulated equity in their homes. A particular option, subject to the decision of the home owner, is available to minimize or mitigate the cash flow problem by taking a particular interest deferral.

**Mr. Rae:** Do you call that a choice?

**Mr. MacEachen:** The hon. member disapproves of that proposal. I believe he ought to permit the home owners of Canada to have that option and to decide for themselves whether it is appropriate for them in the circumstances. The hon. member says that is not a choice, but he is quite wrong because quite a number of home owners, given a choice, prefer to carry on with their mortgage payments at an increased level rather than have them reduced. That is their decision, but I believe this particular option can be useful to home owners with short term or temporary cash flow problems, and that is what it is intended to be.

\* \* \*

[Translation]

## SMALL BUSINESS

### REQUEST FOR EXTENSION OF SMALL BUSINESS DEVELOPMENT BOND PROGRAM

**Mr. Jean-Guy Dubois (Lotbinière):** Madam Speaker, my question to the Minister of State responsible for small businesses deals with the Small Business Development Bond program. Could the minister tell me how many small businesses in