

free trade? Is that the government's position? If so, why does the government not have the courage to follow it up with a protest? Apparently the Prime Minister has indicated that is the government's position.

Mr. Trudeau: Mr. Speaker, the ambassador can talk like a gentleman representing his country in Canada, if he wishes. We have no objection to that. We objected to the former ambassador making points against the government through the media and privately. That Mr. Enders does it in this way is perfectly compatible with his function. Surely, the hon. member would agree that any minister of this government, and indeed any member of this Chamber, can answer the ambassador in public in the same way.

Mr. Clark: Saying that the government was sick and tired.

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TRADE

POLICY ON INTERNATIONAL ECONOMIC BOYCOTTS—DATE WHEN RESULTS PUBLICIZED AND REPORT TABLED

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I have a question for the Prime Minister. On October 21, 1976 the government set forth a policy regarding international economic boycotts. Can the Prime Minister tell us when we will receive the results of this policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will inquire.

Mr. Kempling: Mr. Speaker, on January 21, 1977 there was a directive on international economic boycotts issued by the deputy minister of the Department of Industry, Trade and Commerce which indicated that a public report would be made semi-annually. At the same time, will the Prime Minister inquire as to why this report was not made and when it will be tabled?

Mr. Trudeau: Mr. Speaker, yes.

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FINANCE

SUGGESTION BANKS BE ENCOURAGED TO REDUCE LENDING RATES AND GIVE PREFERENCE TO SMALL BUSINESS

Mr. Jim Fleming (York West): Mr. Speaker, my question is directed to the Minister of Finance. The after tax profits of Canada's nine largest banks again increased substantially in the year ending October 31, 1977. With that in mind, is there any consideration of lowering lending rates to encourage investment and boost the economy, and more particularly, also to urge the Canadian chartered banks, as they anticipate a new Bank Act, to establish a preference or protected part of their lending resources for viable small and medium size Canadian businesses?

Some hon. Members: Hear, hear!

Oral Questions

[Translation]

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I take good note of the representations of the hon. member; I shall convey them to the governor of the Bank of Canada and take them into account in my discussions with the bankers.

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[English]

ROYAL CANADIAN MOUNTED POLICE

INQUIRY WHETHER LEGAL ADVICE RECEIVED PRIOR TO AUTHORIZING OPENING OF MAIL

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a question to the Solicitor General. May I premise it in this way: everyone in the House believes we have to take proper steps in reference to the security of the nation. Has the Solicitor General had a discussion with the former solicitor general, the present Minister of Consumer and Corporate Affairs, with regard to the instructions given for the activity known as "Cathedral", the opening of mail in reference to terrorists? What was the discussion? Were those instructions given to the officers in question prior to receiving legal advice from officers of the Crown?

Hon. Francis Fox (Solicitor General): Mr. Speaker, indeed I have had some conversations with my predecessor concerning some of the instructions to the security service. His instructions to the security service were very much the same as those given by various solicitors general in the past: the security service had to operate within the law. During the course of his tenure as solicitor general, a request was made for authorization to issue a warrant authorizing the security service to open mail in one specific case. The authorization was signed on the understanding that it was to be referred to the Department of Justice for opinions from law officers of the Crown to see whether section 43 of the Post Office Act did or did not override section 16(2) of the Official Secrets Act. The answer my predecessor received from the law officers of the Crown was that section 43 of the Post Office Act in fact did override section 16(2) of the Official Secrets Act, and that no warrant could be issued by the Solicitor General authorizing the opening of mail while it was in transit and within the hands of the Post Office.

POSSIBILITY OF AMENDING LAW TO PERMIT FORCE TO OPEN MAIL

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I did not receive an answer to my question whether instructions were given regarding the Cathedral activity prior to receiving advice from legal officers of the Crown. My second question in reference to that is: is the Solicitor General considering amending the law, as it now stands, to give security officers of Canada the necessary authority so they may act within the law instead of outside of the law?