

*Inquiries of the Ministry***FINANCE****ACTION TO REDUCE TREASURY BILL RATE**

**Mr. Gordon Ritchie (Dauphin):** I have a question for the Minister of Finance. In view of the fact that the treasury bill rate is 1.2 per cent above the United States rate, what steps does the government plan to take to reduce this spread and thus lessen the upward pressure on the Canadian dollar?

**Hon. E. J. Benson (Minister of Finance):** As was indicated yesterday, and the opposition seemed to disagree, there was a lowering of the bank rate.

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**FISHERIES****DESTRUCTION OF FISHING GEAR BY FOREIGN DRAGGERS**

**Mr. Jack Marshall (Humber-St. George's-St. Barbe):** My question is for the Minister of Fisheries and Forestry. Would the minister advise whether he has been made aware of the existence of foreign draggers off southwestern Newfoundland which are destroying fishing gear and, if so, what action is he taking to correct the situation?

**Hon. Jack Davis (Minister of Fisheries and Forestry):** I am not aware of this. I will look into it immediately.

**Mr. Marshall:** I would advise the minister that there are some 60 foreign draggers off the coast destroying thousands of dollars worth of fishing gear. Would the minister take the necessary action to implement proper surveillance, as he did last year in western Canada, and could this be done immediately so that we will not have a recurrence of what has happened in the past?

**Mr. Speaker:** Order, please.

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**EXTERNAL AFFAIRS****COMMONWEALTH COMMISSION ON NAVAL DEFENCE IN INDIAN OCEAN—WITHDRAWAL OF NIGERIA—CANADIAN POSITION**

**Mr. Andrew Brewin (Greenwood):** My question is for the Secretary of State for External Affairs. In light of the withdrawal of Nigeria and the likely withdrawal of other Commonwealth countries from the commission set up at Singapore to inquire into naval defence in the Indian Ocean arising out of the sale of helicopters by Britain to South Africa, does the Canadian government also propose to withdraw from the commission?

**Hon. Mitchell Sharp (Secretary of State for External Affairs):** No, Mr. Speaker, the Canadian government does not intend to withdraw from the commission. As I said yesterday, we regret very much the decision of the British government to sell arms to South Africa. We also regret that the Nigerian government and others may consider it necessary to withdraw from this committee. After

[Mr. Speaker.]

all, this will be an opportunity to discuss the very situation to which they and we object, and we think there can be a useful role for the committee.

**SALE OF HELICOPTERS BY BRITAIN TO SOUTH AFRICA—INQUIRY AS TO CANADIAN PROTEST**

**Mr. R. Gordon L. Fairweather (Fundy-Royal):** Has the minister seen the British High Commissioner in the past couple of days to register a very strong protest on the part of the Canadian government to what might be described as a cynical abuse of the agreement made at Singapore?

**Hon. Mitchell Sharp (Secretary of State for External Affairs):** I am not defending the actions of the British government, because they are not in accordance with our views, but I would remind the hon. member that the British government made it very plain when they agreed to the formation of this committee that they would not necessarily delay any decision by them on the sale of arms to South Africa. As to the specific question asked by the hon. member, may I point out that my statement made in the House of Commons the day before yesterday has been brought to the attention of all members of the Commonwealth.

**Mr. Doug Rowland (Selkirk):** My supplementary question is addressed to the Secretary of State for External Affairs. Could he tell the House whether he has any firm indication regarding the present intentions of other members of the commission with respect to withdrawal from it?

**Mr. Sharp:** Not yet, Mr. Speaker, but I will be meeting at five o'clock this afternoon with the Secretary General of the Commonwealth, Mr. Arnold Smith, to discuss the situation. I am sure he is making a canvass of the views of the members of the committee.

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**REGIONAL ECONOMIC EXPANSION****INCENTIVE GRANT TO MICRO-MAX PRODUCTS TO ESTABLISH PLANT IN MAGOG, QUEBEC—ASSISTANCE TO CANADIAN DRUG INDUSTRY**

**Hon. W. G. Dinsdale (Brandon-Souris):** Mr. Speaker, my question is for the Minister of Regional Economic Expansion. It arises from the recent announcement by the government of an incentive grant of \$3.8 million to Micro-Max Products Ltd. of Kalamazoo, Michigan, to assist in establishing a drug plant in Magog, Quebec. Can the minister assure the House that this grant complies with plans announced at the time of the passing of Bill C-102, that is, to strengthen financially the Canadian segment of the pharmaceutical industry?

[Translation]

**Hon. Jean Marchand (Minister of Regional Economic Expansion):** Mr. Speaker, all I can say is that the grant was offered in accordance with the act regulations it is my responsibility to administer.