this year is only forecast to be 1 per cent to 2 per cent. In view of this, is it the minister's advice to the country that since we are not going to have greater economic growth this year, and we did not last year, people should postpone their attempts to get better wages, pensions and benefits?

Mr. MacEachen: No, Madam Speaker, because there have been wage settlements that have already taken place which provide for increased wages. The President of the Treasury Board in the administration of public pay policy has authorized increases for employees in the public service. We are not suggesting that there not be better wage settlements than in the past, or no increases. That is not the suggestion. The suggestion is that in current circumstances, in the interests of the welfare of the country and all the people of the country, wage restraint is absolutely essential if we are to avoid a further acceleration in inflation. That is the point I have been making.

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FINANCE

GOVERNMENT CASH POSITION

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question is also to the Minister of Finance. I would draw to his attention the Bank of Canada's weekly financial statistics as of March 26. I thought the minister might care to explain to the House why his coffers appear to be running over with cash to the extent they are. We note that as of that date he had $6.4 billion on deposit with Canadian chartered banks, up almost $3 billion compared to a year ago. Will the minister explain why he is running such a high cash position with the various banks of the country at a time when it is costing him 13 per cent, sometimes almost 14 per cent, on the money he has to borrow?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I would be glad to tell the hon. member, as he probably recalls, that the cash balances held by the government are subject to very important seasonal fluctuations. Because of these seasonal fluctuations I believe he will see that the weekly financial statistics which are to be released today will show that cash balances of the government have been reduced to $4.8 billion, a reduction of $1.6 billion in one week. These seasonal reductions will take place as a result of a number of factors which occur at this time of the year.

Mr. Stevens: Madam Speaker, I am pleased that the House has received this little advance release, if you like, that cash balances are still $4.8 billion. Would the Minister of Finance not agree then that any suggestion in relation to certain government measures that there is great urgency for the passage by this House of the bill authorizing further borrowing is a little stretched and, in fact, may be a deliberate misrepresentation?

Mr. MacEachen: Madam Speaker, I would not agree with that because, as his seat or desk mate will recall, one of the important functions of the Minister of Finance is to plan an orderly marketing program of government instruments, and it is quite impossible to plan, for example, the May 1 normal going to the market unless we have the authority from the House of Commons. If we do not have that authority, I believe this will create unnecessary uncertainty and possibly imperil the capacity of the government to undertake foreign exchange transactions and such like.

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ENERGY

OIL PRICING POLICY—REPORTED INTRODUCTION OF TWO-TIER SYSTEM

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, my question is directed to the Minister of Energy, Mines and Resources.

Yesterday the Calgary *Herald* had a report that the minister is considering a new two-tiered pricing system for oil. Is the minister considering such a system and, if so, what is the proposed price for the new oil? In addition, could the minister tell the House what impact this system will have at the gas pump?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, if I were considering such a possibility or concept, there would be nothing new to it because I have already indicated in this House that, in the course of my negotiations with the government of Alberta last year, I offered at that time an approach which would have implied a higher price for new oil. That proposal was rejected at that time. Since then I notice that several members of the industry have picked up that proposal and have suggested it has a lot of merit.

I can tell the hon. member that I am not considering any specific proposal at the present time, nor is the government considering any particular proposal. Obviously I will examine the matter further before my meeting with my colleague in Winnipeg on April 13, but I have reached no conclusion in this respect, and obviously the government has not at the present time. The whole report in this regard is totally speculative and has no foundation in so far as it could refer to my intentions or the government's intentions at this stage.

COMMITTEE CONSIDERATION OF BILL C-48

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I am sure the minister will know that a two-price system will mean higher prices and a broken promise. Let me ask him about another broken promise, if I may.

The government rammed Bill C-48 through this House and into the committee stage by the use of closure. At the time his colleague, the Deputy Prime Minister and Minister of Finance, said we in committee could hear all the witnesses we