

*Oral Questions***PUBLIC SERVICE**POST OFFICE—REPORT OF CONCILIATION BOARD—
GOVERNMENT INTERVENTION

Mr. Sid Parker (Kootenay East-Revelstoke): Madam Speaker, my question is to the President of the Treasury Board. Last night the report of the conciliation board studying the dispute between the government and the Canadian Union of Postal Workers was handed down to the two parties.

I realize the minister probably has not had time to study the report in great detail, but can he indicate whether or not he intends to reopen negotiations with the union, using this report as a basis for negotiations and, more importantly, will the minister now commit himself to a meeting of himself, the Postmaster General and representatives of the union before the union is in a position to strike?

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, officials of the interested departments, including Treasury Board, are presently studying the report. The labour relations committee will be meeting this afternoon. The Postmaster General will be present at that meeting, as will the Minister of Labour and myself. I presume we will be making announcements after that meeting as to our posture and what further meetings we intend to have at that time.

Mr. Parker: Madam Speaker, in this is a serious matter. They are in a position now to take a strike vote, and I would imagine that is what is immediately taking place and that within seven days we could be in a strike situation.

An hon. Member: We know that.

Mr. Parker: Is the minister prepared to meet immediately with this group, to sit down with the basis of that report and try to reach a compromise at this very, very crucial time?

Mr. Johnston: Madam Speaker, it seems to me that I answered that question. Obviously, it is a matter of the highest priority with this government. That is why a meeting has been convened for late this afternoon between the interested members and other officials involved. I can assure the hon. member that it being a matter of the highest priority, we will do everything possible to try to avert a strike.

Mr. Parker: Madam Speaker, in view of the seriousness of this matter—

An hon. Member: You have already said that.

Mr. Parker:—we are getting letters from everyone throughout the province and throughout the country. I want to ask the minister if he is prepared, on a daily basis, to report to this House as to what is taking place with these negotiations.

Mr. Johnston: Madam Speaker, this government has a policy of open government.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Johnston: I can assure the hon. member and all other members of this House that all relevant information which should be made available to parliamentarians will be made available.

Mr. Baker (Nepean-Carleton): It is known as open-ended government.

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BANK OF CANADA

RESISTANCE TO FALL OF INTEREST RATES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in the absence of the Minister of Finance and the first acting minister of finance, perhaps I could go to the second acting minister of finance, the President of the Treasury Board.

My question centres on the rather remarkable treasury bill auction which occurred yesterday when the Bank of Canada resisted the fall of interest rates in this country. Bearing in mind that when the government took power, interest rates in Canada were 2.5 points on the treasury bill level behind those in the United States, and now they are 4 points ahead of the comparable treasury bill level in the United States, would the President of the Treasury Board indicate to the House why this is an appropriate course for Canada to be following?

Mr. John Evans (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, I should like to tell the hon. member that indeed what he has said is correct, and that the governor of the Bank of Canada has been following a policy of orderly transition and changes in the interest rates. We are very happy to see the fact that since this government has taken power the interest rates have come down some 3 percentage points.

Some hon. Members: Hear, hear!

Mr. Stevens: Madam Speaker, again perhaps I could go to the President of the Treasury Board who, after all, is designated by the Prime Minister as the Acting Minister of Finance in the House.

An hon. Member: That was a mistake.

Mr. Stevens: In view of the fact that the parliamentary secretary has totally ignored the fact that up to the present time the government has claimed it had virtually no alternative but to allow interest rates to rise in this country because of the rising interest rates in the United States, would the President of the Treasury Board indicate why the government condoned the Bank of Canada action yesterday?

It was described by the governor of the Bank of Canada as one in which the "market pressure was resisted by the Bank of Canada, which acted vigorously, particularly in the last week, to moderate the rate of decline"—in our interest rates. It intervened to the extent of actually causing overnight money,