

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

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### INDIAN AFFAIRS

#### FUNDING OF NATIVE PROJECTS—MOTION UNDER S.O. 43

**Mr. Ted Miller (Nanaimo-Alberni):** Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of an urgent and pressing nature to this House.

In view of the serious nature of Indian health care in Canada and the stated concern of the Minister of National Health and Welfare (Mr. Crombie) to this situation, and because of the contradictory position of the Minister of Indian Affairs and Northern Development (Mr. Epp), who has implemented a freeze on unexpended funds for capital projects, including those for safety and health, which affect hundreds of current projects which should be currently under construction, I move, seconded by the hon. member for Churchill (Mr. Murphy):

That the House instruct the minister to immediately lift the freeze on capital funds for native projects.

**Mr. Speaker:** The introduction of such a motion for debate, pursuant to Standing Order 43, can be done at this time only with the unanimous consent of the House. Is there unanimous consent?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

## ORAL QUESTION PERIOD

[English]

### THE CANADIAN ECONOMY

#### POLICY ON INTEREST RATES—SUPPORT FOR GOVERNOR OF BANK OF CANADA

**Right Hon. P. E. Trudeau (Leader of the Opposition):** Mr. Speaker, my question arises from the public comments made by the distinguished member for Qu'Appelle-Moose Mountain to the effect that the Conservative caucus was in revolt against the increase in interest rates. I believe his words were that the caucus are not a bunch of sheep.

It is important that the country knows from the Prime Minister, for economic stability reasons, that his government is in complete support of Governor Bouey and his policies.

**Right Hon. Joe Clark (Prime Minister):** Mr. Speaker, I am certainly prepared to give that assurance to the House of Commons, and also to give the assurance that one of the

### Oral Questions

changes that occurred after the election of May 22 is that the caucus of the government party is no longer a caucus of sheep.

**Some hon. Members:** Hear, hear!

**Mr. Trudeau:** Mr. Speaker, I expect we will witness this spectacle very often, of the caucus applauding itself for its great virtues. I am more interested in the virtue of the government, and I really want to know if there has been any question or any discussion of the resignation by the governor of the bank made to the Prime Minister or to the Minister of Finance.

**Mr. Clark:** Mr. Speaker, there has been no discussion with myself, with the Minister of Finance or any other minister of the government of the possibility of the resignation of the governor of the Bank of Canada. We do not expect any such indication, and we certainly would not welcome any indication by the governor of the Bank of Canada that he might be contemplating any action.

#### INTEREST RATES—POLICY FOLLOWED BY GOVERNOR OF BANK OF CANADA

**Hon. Herb Gray (Windsor West):** Mr. Speaker, I have a question for the Minister of Finance. Is it correct, as stated, apparently, by the hon. member for Qu'Appelle-Moose Mountain on "Canada A.M." this morning that the governor of the Bank of Canada is not following Conservative policy in what he is doing with interest rates? Is it the intention of this government to simply make the governor of the Bank of Canada an arm of Tory economic policy, whatever it might be?

**Hon. John C. Crosbie (Minister of Finance):** Mr. Speaker, with reference to the question by the hon. gentleman, the governor of the Bank of Canada is not following Conservative policy, nor following Liberal policy: he is following the policy of the Bank of Canada, which is an independent—

**An hon. Member:** That is not what you said this morning.

**Mr. Crosbie:** When you get more members, you can sit on this side of the House.

● (1120)

Mr. Speaker, if I can answer a serious question in a serious fashion without the caterwauling from the left, the governor of the Bank of Canada is setting his own policy. The Bank of Canada has an independence given to it under legislation passed by this House. I agree with the steps the governor of the Bank of Canada has taken, because in my view there are no alternatives to those steps due to the economic condition we have been left in by the previous government.

**Mr. Gray:** Mr. Speaker, a supplementary question to the Minister of Finance. Do his words mean that even though on the surface he talks of support, when he refers to the governor of the Bank of Canada following his own policy, it means the Minister of Finance does not really agree with what the