

Oral Questions

to bear in mind that this statement was made last night by the President of the United States.

I ask again: Does the Canadian Government have any information of any kind which would bear out the suggestion by the President of the United States that Nicaragua poses a mounting threat to the security of the United States and, presumably, if that be the case, to the security of Canada? Have we checked that out? Do we have any information in that regard, and if so, what is it?

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, it does not make any difference to the formulation of Canadian policy, made in Canada by a Canadian Government, whether the President of the United States spoke last night, last week, last month or a year ago. Our policy has not altered one iota. It is as I have stated it today, and as has been stated by the Prime Minister and by the Secretary of State for External Affairs on so many previous occasions.

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BANKS AND BANKING

LEVEL OF INTEREST RATES CHARGED BY CHARTERED BANKS

Mr. Alan Redway (York East): Mr. Speaker, my question is for the Minister of State for Finance. When the Bank of Canada rate was going up in January, the chartered banks put their lending rates up very quickly. Now that the Bank of Canada rate is falling, the chartered banks have been very slow to drop their lending rates. Will the Minister lean on the chartered banks to get them to bring their rates down?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, I would like to point out to the Hon. Member that last week the chartered banks' prime rate moved down in anticipation of a Bank of Canada rate cut. I do not think the situation is quite as uneven as the Hon. Member is suggesting.

As you know, Mr. Speaker, there was a full percentage point drop in the bank rate. From what I read from corporate analysts and banking analysts, I am sure that rates will come down further, which simply proves that our budget policies are working in the market-place.

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EQUALITY RIGHTS

GOVERNMENT COMMITMENT

Hon. Bob Kaplan (York Centre): Mr. Speaker, in the absence of the Minister of Justice my question is for the Deputy Prime Minister.

Having followed the strong objections expressed by Conservative delegates in Montreal over the weekend to many of the equality recommendations which were already endorsed by the Government, can the Deputy Prime Minister give his assurance that the commitment of the Government will not be

weakened by that convention, especially on matters dealing with affirmative action, with women in the Armed Forces, and with sexual orientation?

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, the response of the Government has been tabled. It is there for the hon. gentleman to read and for the public to see.

Mr. Blackburn (Brant): Lead your Party; don't follow.

Mr. Nielsen: That is the Government's response.

WOMEN IN THE CANADIAN ARMED FORCES

Hon. Bob Kaplan (York Centre): Mr. Speaker, if the Government intends to ignore the Conservative Party, can the Deputy Prime Minister tell us when there will be a clear statement by the Government on its policy about what changes will occur for women in the Armed Forces? When will we get that statement clearly from the Government as a result of the agreement it made to implement the equality provisions?

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, first the Government's response has been tabled. Second, the internal consideration that has to be given by the Department of National Defence with respect to reconciling its policies with that response is under way, and will be announced as soon as possible.

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AGRICULTURE

TAX ON FARM FUELS

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, my question is for the Minister of Agriculture. The Budget has increased farm costs considerably through the imposition of taxes on most farm inputs. The Budget did announce an extension of the 3 cents per litre fuel tax rebate, but this rebate is a far cry from the Conservatives promise to eliminate—

Mr. Speaker: Order, please. Just a question.

Mr. Hovdebo: When will the Minister be bringing in legislation to eliminate taxes on farm fuels?

Hon. John Wise (Minister of Agriculture): Mr. Speaker, I hope that the House of Commons sound system is working more effectively than my own voice is today. I want to correct the Hon. Member and remind him to reread our campaign commitment. We did not make a commitment to remove all of the tax on farm fuels.

I am surprised, Mr. Speaker, because of the substantial package in the Budget, that the Hon. Member is still critical of the financial transfer from our Government to the farming community.