What I want to know is whether or not there is a boycott; it is that simple. If Canadians take the flag and participate in the opening ceremonies of the Olympic Games, then surely we are not participating in a boycott in the same way that we are asking the farmers to participate in a boycott, or the businessmen or, indeed, the athletes.

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I want to assure the hon. member that indeed we are supporting the boycott. It has been declared to be our policy and the evidence of that is the fact that Canadian athletes, in terms of the government, have decided not to participate.

As the Minister of Labour has stated, I am not aware of conversations between any governmental officials and the mayor of Montreal. I will check into that, but I would suggest to the hon. lady that perhaps it is overkill to protest as vigorously as she has to the transmission of the flag in the way that is proposed.

TESTING BY FRANCE OF NEUTRON BOMB WARHEAD—GOVERNMENT POSITION

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, my question is also for the acting prime minister. It relates to international affairs and perhaps the potential of another boycott or at least severe sanctions.

Within the last 24 hours the government of France, normally a civilized country, a member of the western family of nations and a close ally of Canada, has gloatingly announced that it has perfected the capability of exploding a neutron bomb warhead, an announcement that could only be made after extensive field tests and extensive field explosions.

My question to the acting prime minister, is what exactly does the Government of Canada hope and expect to do in the face of such an announcement, especially when Canada is a signatory to the non-proliferation treaty, a signatory to the test ban treaty, and when Canada in many other ways has taken a belated lead against such a development as that?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I have noticed the press reports to which the hon. member has referred in his question. Obviously, if they are confirmed to be true, the development is very serious indeed. The Prime Minister today, in Sweden, has stated that if these reports are held to be authentic, Canada indeed would be very much opposed and would protest vigorously against this policy of the French government.

Mr. Lawrence: Madam Speaker, I am not getting through to the acting prime Minister. I am not talking about the usual mild, obviously ineffectual, mealy-mouthed protests which come from this government in matters such as this.

Some hon. Members: Order.

Mr. Lawrence: I am asking the acting prime minister, if he is not in a position today to make an announcement, will he give serious consideration to very real sanctions against the government of France? Some of us believe that this is a greater threat to the security and future of the world than even the Afghanistan invasion.

Some hon. Members: Hear, hear!

Mr. MacEachen: Madam Speaker, I am not sure that the hon. member understands what he is saying when he is proposing at the present stage that Canada announce a policy of economic sanctions against France. I think he would want to consider that a little more carefully before he repeats it.

● (1125)

Mr. Lawrence: Not in this case.

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CONSUMER AND CORPORATE AFFAIRS

INTEREST RATES—PRIME RATE OF CHARTERED BANKS HIGHER THAN BANK OF CANADA—EFFECT ON ECONOMY

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Consumer and Corporate Affairs. The minister will know that the Bank of Canada rate is now 10.63 per cent. However, the prime rate charged by the chartered banks of Canada is almost a full two percentage points above that, in complete contrast to the situation which prevailed two years ago with a reflected drop in the chartered bank rate corresponding to the Bank of Canada rate.

Since this means the banks are making higher profits and are not passing on to the people of Canada the economic benefits which should come from a lower Bank of Canada rate, I should like to ask the minister what he is doing about this.

[*Translation*]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs and Postmaster General): Madam Speaker, I would suggest that the hon. member direct his question to the Minister of Finance.

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[*English*]

THE CANADIAN ECONOMY

INTEREST RATES—DISPARITY BETWEEN CHARTERED BANKS AND BANK OF CANADA

Mr. Edward Broadbent (Oshawa): Madam Speaker, I made the mistake of assuming that the Minister of Consumer and Corporate Affairs was interested in what was happening to consumers.

Some hon. Members: Hear, hear!