

*Inquiries of the Ministry*

They have been at their disposal for some considerable time and they will continue to be at their disposal.

**Mr. Knowles (Winnipeg North Centre):** A supplementary question, Mr. Speaker. With what result?

**THE CANADIAN ECONOMY****EFFECT OF INJECTION OF \$250 MILLION INTO THE PRAIRIES**

**Mr. S. J. Korchinski (Mackenzie):** Mr. Speaker, I should like to address my question to the Prime Minister. In view of the right hon. gentleman's statement that there will be an injection of \$250 million into the western economy and in view of the government's professed intention to fight inflation, does the Prime Minister consider that this injection will be inflationary in itself?

**Mr. Speaker:** Order. The question as asked is not in order.

**FINANCE****DEMAND LOANS—APPLICATION OF INTEREST RATE INCREASES BY BANKS**

**Mr. John Burton (Regina East):** Mr. Speaker, I have a question for the Minister of Finance. In view of the policy of the chartered banks of applying interest rate increases to outstanding demand loans as well as to new loans, would the minister consider approaching the chartered banks and urging them to desist from this practice?

**Hon. E. J. Benson (Minister of Finance):** Mr. Speaker, as explained by the governor of the Bank of Canada, the banks themselves have to determine their own interest rates chargeable on loans. I did make that quite clear. I would also point out to hon. members opposite that my so-called pious wish of last week still stands, and I am still hopeful that the banks which have not increased their prime rate will refrain from doing so.

**Mr. Burton:** Mr. Speaker, the chartered banks are applying these interest rate increases to outstanding demand loans even though a set time period for repayment has been set down on paper. I have here three letters I received recently stating that this is the case.

**Mr. Benson:** If there is a set time period for repayment, then it cannot be a demand loan.

[Mr. MacEachen.]

**TRANSPORT****QUEBEC NORTH SHORE AND LABRADOR RAILWAY—EXTENSION OF COMMISSION ORDER**

**Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador):** Mr. Speaker, may I direct a question to the Minister of Transport. Since a substantial lay-off of men at the Churchill Falls project is pending because the Quebec North Shore and Labrador Railway is not transporting fuel supplies, etc., and since severe inconvenience is being suffered by residents of Labrador City and Wabush because of the embargo on the transportation of automobiles, will the minister consult the Canadian Transport Commission with a view to having its recent order extended to include the transport of supplies to Churchill Falls and the transport of private automobiles to and from Wabush and Labrador City?

**Hon. Donald C. Jamieson (Minister of Transport):** Mr. Speaker, the Minister of Transport not only will; he has.

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

**Mr. Peddle:** A supplementary question, Mr. Speaker. Will the minister tell us when this action took place and what the result of his consultations is?

**Mr. Jamieson:** Mr. Speaker, I have been in fairly constant consultation with the C.T.C. ever since this strike started and fuel supplies into Labrador City were delivered, I think, earlier this week. Now we are casting about to find ways of taking care of the matters to which the hon. member has referred. Of course, the simplest way to get the matter resolved is to get the strike settled, and I hope the parties will do that as quickly as possible.

**Mr. James A. McGrath (St. John's East):** A supplementary question, Mr. Speaker. What is the minister doing to bring the two parties together in order that they may settle the strike?

**Mr. Jamieson:** Mr. Speaker, all I can do is put them on the train.

**Mr. Baldwin:** I wish the minister would think more about box cars for wheat.