

Inquiries of the Ministry

Hon. W. E. Harris (Minister of Finance): Mr. Speaker, the Bank of Canada increased its own discount rate and I do not know of any other action taken.

Mr. Rowe: I should like to ask a supplementary question. If it was for the purpose I mentioned, why was the rate on savings not increased in order to encourage savings and likewise to discourage the inflationary trend?

Mr. Harris: Mr. Speaker, I will study my hon. friend's question and give an answer later.

Mr. Donald M. Fleming (Eglinton): May I direct a supplementary question to the Minister of Finance? Was that step taken by the Bank of Canada in raising the rate, taken with the approval of the government?

Mr. Harris: Mr. Speaker, according to the statute the Bank of Canada takes the responsibility for its actions.

Mr. Fleming: May I ask whether the government was aware of the action before it was taken and did not the government approve it?

Mr. Harris: Mr. Speaker, I gave my answer a moment ago.

Mr. Fleming: That is not an answer.

Mr. M. J. Coldwell (Rosetown-Biggart): Mr. Speaker, may I ask a supplementary question of the Minister of Finance. If this increase in the rate has as its objective the preventing of inflation, why is it that the government is authorizing the expenditure of \$80 million by an American corporation in Canada, something which would presumably increase inflation? The money is not borrowed from the Canadian people. That is my point. If this money were borrowed from the Canadian people by means of a bond issue, the situation would be different; it would be anti-inflationary.

Mr. Harris: As to the former question, I am quite prepared to say that I was informed of the action before it was taken. As to the latter question, I was also informed that the loan of \$80 million would not be inflationary.

Mr. Coldwell: I wonder what the reasons were that were given for that advice? Would the minister tell us?

Mr. Harris: Mr. Speaker, I will be glad to discuss this matter on my estimates.

Mr. Rowe: Mr. Speaker, I should like to ask the minister another question. He said he would take into consideration the idea of an increased rate of interest on savings as a prevention of inflation. Does the Minister of Finance not advise or give his recommendation to the Bank of Canada?

Mr. Harris: As I say, Mr. Speaker, I will be glad to discuss that matter on the estimates. In the meantime, I think we shall make a bit of progress if my hon. friend reads the statute and sees the division of responsibilities between the bank and the government.

Mr. Rowe: I was asking the minister. I thought maybe he knew what his responsibilities were.

VICTORY BONDS—INQUIRY AS TO REASON FOR
WITHDRAWAL OF GOVERNMENT SUPPORT

On the orders of the day:

Mr. C. W. Hodgson (Victoria, Ont.): Mr. Speaker, I should like to address a question to the Minister of Finance. I should like to know why the government withdrew their support from the victory bond issues of 1942, 1943, 1944 and 1945?

Hon. W. E. Harris (Minister of Finance): I am not familiar with the problem; I will find out about it.

Mr. Hodgson: You ought to be familiar with it because the bonds are down to 85 cents this morning.

IMMIGRATION

PROVISION FOR FURTHER ASSISTANCE IN
FAMILY SETTLEMENT

On the orders of the day:

Mr. F. S. Zaplitny (Dauphin): May I direct a question to the Minister of Citizenship and Immigration arising out of a statement he made to the house some time ago to the effect that children of immigrant families would receive certain payments. My question is this. Are those payments now going forward? If not, when does the minister expect to start sending those payments to the children of immigrant families?

Hon. J. W. Pickersgill (Minister of Citizenship and Immigration): Mr. Speaker, we can expect them whenever this house gets down to business and deals with the estimates which will provide them.

Mr. Fleming: The schoolmaster speaks.

Mr. Knowles: Mr. Speaker, I wish to direct a question—

Mr. Speaker: It looks as though the hon. member for Dauphin has a supplementary question.

Mr. Knowles: Fine.

Mr. Zaplitny: Yes, Mr. Speaker. My supplementary question is this. Is it the intention of the minister to introduce any legislation in order to implement that policy or can