

Oral Questions

FINANCE

BANK LOANS TO ASSIST BUSINESSMEN IN FOREIGN COUNTRIES—GOVERNMENT ACTION IN LIGHT OF HIGH INTEREST RATES

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in the absence of the Minister of Finance I should like to put a question to the Prime Minister. In view of the fact Canadian chartered banks are now lending over \$1¼ billion in Canadian funds to help businessmen in foreign countries and that this figure has gone up 13 per cent in the past reported week alone, what steps does the government intend to take to reverse this trend which is contributing to our present all-time high bank interest rates?

Right Hon. P. E. Trudeau (Prime Minister): Those are fascinating statistics. I will make sure they are drawn to the attention of the Department of Finance.

Mr. Stevens: Mr. Speaker, perhaps I might put another question to the Prime Minister. With mortgage interest rates in Canada now over 10 per cent compared with 8 per cent in the United States, do I take it from the Prime Minister's comment that the government in fact has no agreement with the Canadian banks to stop such a flow of Canadian funds?

Mr. Trudeau: No, Mr. Speaker. If the member takes it that way, he is mistaken.

Mr. Speaker: The hon. member for Oshawa-Whitby. Order, please. I will recognize the hon. member for York-Simcoe, but I wonder whether we should have two or three supplementaries on every question asked. I think hon. members should be prepared as much as possible to ask questions and supplementaries in co-operation with other members. Perhaps they ought not go beyond that. The hon. member wishes to ask a third supplementary question. He will be recognized, after which I will recognize the hon. member for Oshawa-Whitby and the hon. member for Joliette.

Mr. Stevens: Thank you, Mr. Speaker. In view of the statement by the Minister of Finance on September 14 that the banks have agreed to disburse mortgage funds at no margin over their cost of funds, would the Prime Minister indicate what volume of mortgage funds the banks have so agreed to put out?

Mr. Trudeau: Mr. Speaker, I can only take note of the question. It is statistical in nature. I assure the hon. member we will look for the answer to it.

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INDUSTRY

PRICE INCREASE BY FORD ON 1974 CARS—GOVERNMENT ACTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. In view of the fact the minister assured the House in March of this year that there will be a significant reduction in the price differential in the price

[Mr. Whelan.]

of 1974 model year cars and that he made this assertion following a commitment to him made by the head of the Ford Motor Company as well as others, I ask the minister, in view of the revelation today that the price increase on Ford products in Canada will exceed the increase in the United States, whether he was informed of this by the head of the Ford Motor Company and, if so, what action he took upon receiving that information?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, the Ford Motor Company has been in touch with my department. We have been advised by the company that the prices of cars will increase on average by \$139 in Canada made up of \$68 for mandatory equipment and \$71 for optional equipment being made standard. The amount of the increase for mandatory equipment is slightly less than that in the United States and reflects the difference in the safety legislation of the two countries.

Mr. Broadbent: Mr. Speaker, in view of the fact that answer simply obfuscates the question totally, and in view of the fact the minister's admonitions to the companies have produced no results at all, would the minister consider removing the 15-per cent duty that Canadian consumers must now pay if they purchase cars in the United States in order to get some competition in that industry in Canada?

● (1150)

Mr. Gillespie: Mr. Speaker, if the hon. member has other evidence to the effect that what I have been told by the companies is untrue, I would ask him to bring that evidence forward and give it to me.

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[Translation]

ENERGY

PROPOSED CONSTRUCTION OF SUPERTANKER PORT ON ST. LAWRENCE—GOVERNMENT POSITION

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to direct a question to the Minister of Energy, Mines and Resources.

Following his Ottawa meeting with his Quebec counterpart last week, can the minister advise the House whether there was any mention of the Quebec construction project of a supertanker port? If so, I should like to know whether the minister or the government favours this project?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Yes, Mr. Speaker, this project was discussed in very broad terms. Following this meeting, the department officials will meet with their Quebec opposite numbers to discuss Quebec plans in connection with this project; then I shall be in a position to state our opinion more clearly concerning this project.

EFFECT OF PROPOSED EXTENSION OF OIL PIPELINE TO MONTREAL ON PRICES OF PETROLEUM PRODUCTS IN QUEBEC

Mr. Roch La Salle (Joliette): Mr. Speaker, believing that the projected west-east pipeline is feasible, I would