

Inquiries of the Ministry

Mr. Drury: Mr. Speaker, on a point of order, I might correct an assumption made by the hon. member for York South. The deadline of which he speaks does not expire tonight but tomorrow night, Wednesday night.

change in that position? I understood it would be retained for a period of three months in the postal unions in the Public Service and that after that there would be a rearrangement of seniority. Will the minister explain the present situation?

ORAL QUESTION PERIOD**FINANCE****BANK OF CANADA INITIATIVE TO LOWER INTEREST RATES IN VIEW OF UNEMPLOYMENT**

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As it has now become clear that unemployment has become the No. 1 problem facing the economy, and as high interest rates are slowing down the economic activity that provides employment, is the government giving consideration to having the Bank of Canada give the lead in a gradual lowering of interest rates so that economic activity and employment may increase at the fastest possible pace?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Hees: Mr. Speaker, as it is well recognized that the lowering of interest rates would stimulate the economy and increase employment, will the government give consideration to this important step so that unemployment may cease to rise at the present alarming rate?

Mr. Trudeau: Yes, Mr. Speaker, as soon as we have an undertaking from the hon. member that he believes inflation is licked.

Mr. Hees: That I what?

POST OFFICE**MONTREAL POSTAL DISPUTE—TERMS OF GOVERNMENT PROPOSAL TO LAPALME EMPLOYEES**

Mr. David Lewis (York South): Mr. Speaker, may I ask a question of the President of the Treasury Board. In view of the fact that he has not seen fit to make a statement to the House about the negotiations which he has had with the truck drivers in Montreal, may I ask him whether it is still the government position that the seniority of the men to be hired is to be retained for a period of three months, or whether there has been any

[Mr. Speaker.]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as the hon. member has suggested, the present proposal is that for a period of three months there will be a special seniority arrangement for the incoming drivers of G. Lapalme, and this has been offered with the consent of the Council of Postal Unions. At the end of the three month period the seniority list of drivers in the Public Service now and up to that date and of the one-time drivers of Lapalme will be integrated into a single list.

Mr. Lewis: A supplementary question, Mr. Speaker. First, does that mean that the Lapalme drivers would be dropped to the bottom of the list as having only three months seniority as against the service of other men?

Second, when the government discussed this with the Council of Postal Unions was it taking upon itself a decision as to the bargaining unit and the representation which these drivers were going to have if they joined the scheme that the government has now proposed, and was it the government's business to decide what union they might later on be members of and what bargaining unit they should belong to?

Mr. Speaker: Order, please.

Mr. Drury: Mr. Speaker, it was not the government's business to decide what union they might later be members of nor did the government intend to endeavour to force these or any other drivers into a particular union of its choice. The law is quite clear on this point and the choice is a free one made by the employees themselves. The government has not and will not endeavour to exercise any right to affect that choice or to make it for them. I have said that this offer of a special arrangement for three months' seniority was done with the consent of the Postal Workers Union. This would cover the period at least following entry into the Public Service, with the consent of the union to which they would belong.

Mr. Lewis: A further supplementary question, Mr. Speaker. There was another statement in the news release issued by the minis-