

### Oral Questions

system in place satisfies me that the health of Canadians is well looked after. We are, indeed, concerned about mould that can develop in some peanut shipments and that this may lead to the development of cancer of the liver, but there is no reason at this point to create panic in the Canadian population.

**Mr. Yewchuk:** Mr. Speaker, I should like to pose this final supplementary question to the Prime Minister, as the Minister of National Health and Welfare seems to be misinformed. The fact is that the food inspection service works in relation to about nine different food inspection acts. There may be a sufficient number of inspectors in total, but each one is responsible for only one segment of inspection. This creates a situation in which there may not be enough inspectors to do a proper job in order to ensure Canadians of proper inspection services.

Would the Prime Minister inform the House why he is not taking steps to incorporate these nine food inspection acts into one, thus enabling the inspectors to have a broader area of responsibility and to do their job more efficiently without the necessity of increasing their number?

• (1132)

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, the matter is under consideration. However, it is not without difficulty, because all these inspectors carry out different functions under the different acts. We want to make sure that if there is a smaller number of inspectors, they will be able to carry out different types of functions. This is under consideration.

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### FINANCE

#### LEVEL OF INTEREST RATES—EFFECT ON INVESTMENTS

**Mr. John C. Crosbie (St. John's West):** Mr. Speaker, I should be asking for the lowering of tariff barriers on peanuts. I have a question for the Prime Minister. On October 13, Canada raised its bank rate three-quarters of a point, and on October 16 I asked the Prime Minister what the government's position was on that. He said, as reported at page 104 of *Hansard*:

—it was not an action based on the performance of the Canadian dollar on that day or days, but it was based on what happened in the United States—

In other words, Canada had no choice. In view of the action taken by the United States Federal Reserve Bank on Wednesday of raising the central bank rate by one point, could the Prime Minister tell us whether this automatically compels the federal government to raise interest rates or else take the risk of an outflow of investment dollars to more attractive foreign opportunities? Is this an automatic thing now, in view of his earlier reply?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, the earlier replies stand for themselves. They do not stand for what the hon. member said when he attempted, wrongly, to

[Miss Bégin.]

sum them up by saying we had no choice. I answered exactly to the contrary yesterday to a question put by the hon. member for Waterloo, if the hon. member would refer to *Hansard*.

**Mr. Crosbie:** Mr. Speaker, the record of *Hansard* is there for anyone to read. Mr. Barry Bosworth, of the White House council on wage and price stability, has warned the United States that the actions taken Wednesday in that country could lead to recession. The growth forecast for next year was only 3 per cent to 3½ per cent, a factor which would have a very bad effect on our foreign trade.

In view of these warnings from Mr. Bosworth and the current situation of our own economy, that any further increase in the central bank rate could lead to the possibility of recession and a downturn in what is already a weak business situation, could the Prime Minister tell the House what policy options he will exercise in this situation?

**Mr. Trudeau:** Mr. Speaker, that is exactly the question asked yesterday by the hon. member for Waterloo. I am glad that the opposition is coming around to the realization that some of the economic effects of what occurs in the rest of the world have a bearing on the Canadian economy. The Minister of Finance has been saying that for the past year, and always there is scoffing from the other side saying, "You are always blaming it on some other country, or on the weather or something else."

I am glad that the opposition economic spokesmen are slowly beginning to understand that when another economy like the United States behaves poorly, it can have effects in Canada without the federal government being responsible.

**Mr. Crosbie:** Mr. Speaker, the Prime Minister's reply indicates that the government has a choice. The Canadian people are waiting to hear what that choice will be. The economic and business activities of this country depends on the government making a choice. When is the government going to make the choice? In view of this action in the United States on Wednesday, will the Prime Minister tell the House how long he will continue dithering?

**Mr. Trudeau:** Mr. Speaker, yesterday I answered a very concrete suggestion by the hon. member for Waterloo and I indicated the choice we had made. If the hon. member would follow the dialogue and read *Hansard* of yesterday, he will understand a little better.

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### PUBLIC WORKS

#### GOVERNMENT USE OF LEASED OFFICE SPACE

**Mrs. Jean E. Pigott (Ottawa-Carleton):** Mr. Speaker, my question is to the Minister of Public Works. Since the deputy auditor general indicated last week that the government has again this year shown its inability to monitor its use of office space, and since the deputy minister also told the Senate national finance committee last year that a committee of ten