

*Oral Questions*

that the plan would cost \$133 million if it were delayed for one year, and if the increased cost of construction were 10 per cent, then that would be \$13 million more. That is the way the question was put. I did not give any specific, additional cost figure.

With regard to the question raised by the hon. member, no specific site has been selected, but—as the hon. member knows—all the experts indicate that the best possible site in Canada for the disposal of spent fuel is in the Canadian Shield which is found in northern Ontario. Sites are being considered. No site has been selected as yet. This will require extensive research, analysis and consultation with local authorities.

I hope that the decision made by the government last week will ensure the co-operation of the communities in northern Ontario so that the matter can be fully investigated, and that with the co-operation of the provincial government of Ontario and the local communities the best and safest arrangement can be found in order to dispose of spent fuel.

**Mr. Gurbini:** Madam Speaker, my supplementary question is directed to the Minister of Energy, Mines and Resources. Is the government committed to expansion of the Candu system both internationally and in Canada and, specifically, does the government intend to promote the use of the Candu system for heavy oils extraction in western Canada?

**Mr. Lalonde:** Madam Speaker, on the first part of the question, indeed the government is very committed to expansion of the Candu system both in Canada and in the international community. For instance, last week I met with representatives of the Argentinian authorities on this issue, and I believe we made progress on some of the outstanding issues between Canada and the government of Argentina.

With regard to the second part of the question, obviously this is a matter which must be discussed with the government of Alberta. The government has made no such decision, but such an avenue could indeed be explored further.

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### THE CANADIAN ECONOMY

#### HIGH INTEREST RATES—HOLDING OF NATIONAL ECONOMIC CONFERENCE

**Mr. Bob Rae (Broadview-Greenwood):** Madam Speaker, my question is to the Minister of Finance. In light of statements which have been made by the minister of the treasury for Ontario and by the four provincial premiers who met out west last week, can the Minister of Finance tell the House whether or not his government is reconsidering its high interest rate policy which was criticized by the present Minister of Industry, Trade and Commerce and by the present Minister of Employment and Immigration when they were in opposition; and, particularly, whether the government has been giving active consideration to the possibility of holding a national economic conference as soon as possible?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, the hon. member wrongly characterizes the policy as a high interest rate policy. If he wishes to be accurate, he will recall that recently there have been two drops in the bank rate and in the prime rates of commercial banks. Certainly that is a move in the right direction.

I have not given consideration to calling a national economic conference, but I would be glad to take into account the hon. member's representations.

**Mr. Baker (Nepean-Carleton):** Think about it, Allan.

**Mr. Rae:** Madam Speaker, I would remind the minister that the bank rate now stands at 15.67 per cent, and when he took power the rate was 14 per cent. That is a rise of something over 1.5 percentage points in the space of time since the government was formed.

Press reports indicate that governor Bouey declined to meet with the four western premiers on the grounds that he had an alternative engagement, and also on the grounds that he felt it would be inappropriate for a federally-appointed public servant to meet with the four western premiers. I would like to ask the minister if that is also his view of the function of governor Bouey.

**Mr. MacEachen:** Madam Speaker, I should explain to the hon. member that governor Bouey has been ready to meet with western premiers on an individual basis, has done so in the past and is prepared to do so in the future. With respect to an invitation to appear at a formal conference of western premiers, which might carry implications as to which level of government had responsibility for monetary policy, the governor of the bank chose not to attend, and he gave an explanation.

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In that position I supported the governor of the Bank of Canada. But I do reiterate his willingness to meet with the premiers, as he has done in the past, and to explain the basis of his policy and the reasons why monetary policy is being administered the way it is at the present time.

**Mr. Rae:** Madam Speaker, a supplementary question. Since the minister is not prepared to accept responsibility for his government's high interest rate policy, I am not surprised that there is a little confusion about which member of the government is responsible.

As my final supplementary question, Madam Speaker, I would ask the minister if he is prepared to give consideration to the recommendation of the four western premiers, that instead of having a board of directors appointed by the Liberal government of the day, the Bank of Canada be advised by an advisory board which would be at least partly appointed by the provincial governments, which would allow a far greater degree of national economic consultation and disclosure of national monetary policy and which would give rise to a far