

Oral Questions

the presidents of the chartered banks in order to make the plight of small business a little better.

Would the minister indicate to the House what report he has received, either directly from the presidents of our chartered banks or the governor of the Bank of Canada, as to how they intend to ensure that the small businessman will not have to share the complete ravish caused by high interest rates in the country?

Mr. Chrétien: Mr. Speaker, I said I would talk about this problem with the governor of the Bank of Canada. I have not received a reply as such. The governor of the Bank of Canada meets regularly with the presidents of the chartered banks to discuss problems with which they are faced.

As to the plight of the small businessman, this House of Commons was called upon last spring to vote on some measures that were to improve the fate of small business and they were passed unanimously. Let us hope that those measures are helping the small businessman in these difficult circumstances.

Mr. Stevens: Mr. Speaker, as the full point discount rate increase in the United States will likely mean at least a half point further increase in our bank rate, would the minister indicate what effect this will have on the Canada Savings Bond issue that is still being sold? Does the government plan to raise the rate on that issue, or will it try to suck Canadians into buying still more savings bonds in spite of the fact that interest rates are likely to go up still higher in the country?

Mr. Chrétien: Mr. Speaker, I do not wish to comment too much on the situation. It is evident that the hon. member is attempting to create confusion, and in doing so he shows a very high degree of irresponsibility in his comments. If there is any movement in the interest rate, it will be announced in due course. I am not going to speculate and engage in the kind of business that the hon. member enjoys.

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● (1432)

[*Translation*]

ENERGY

INQUIRY WHETHER GOVERNMENT INTENDS TO CLOSE PLANT IN LAPRADE, QUEBEC

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

On October 19 last, the minister met his provincial counterpart Mr. Joron about the Laprade plant. In view of the fact that the federal government still gives the impression that it will maintain its decision to close the Laprade site and that the Quebec government is restating its intention to take all necessary steps to see that the contract which has been signed is complied with in the interest of Quebecers, after some ten

[Mr. Stevens.]

days is the minister in a position to tell us today whether the government decision is final or whether he is reconsidering it?

[*English*]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, in my discussions with the minister of energy for the province of Quebec, I made quite clear to him the reason the federal government was anxious to mothball the Laprade plant in an expeditious way: it was because there would be significant savings to Quebec consumers. To do otherwise would be irresponsible at this time. He undertook to take my position to his own cabinet colleagues and to get back to me. I have yet to hear from him.

[*Translation*]

Mr. La Salle: Mr. Speaker, the minister is speaking to Quebecers from a consumer point of view. I imagine he made an assessment before those spending cuts were announced. I cannot understand today how the minister had not considered the consumer's interests before signing such agreement.

I would also ask the minister, considering that his provincial counterpart has mentioned that the closing down will cost 1,500 jobs and that he has referred to 500 jobs during the first 18 months, whether he can confirm his assessment, and I think it is an important matter, that 1,500 or 500 jobs are involved?

[*English*]

Mr. Gillespie: Mr. Speaker, there has been a very substantial change in the marketing situation respecting heavy water and the increased need for nuclear power. Various governments have been scaling down their electrical demand forecasts over a period of years. As perhaps the hon. member knows, as far as the export market is concerned, recently there has been a scaling back of what had been rather ambitious programs in various countries.

Given that information and the further information by the Quebec government in its own white paper, when it indicated clearly that it did not expect to require nuclear power over and above what it was committed to during the 1990s and before the year 2000—which position was different from the one we understood at the time the agreement was signed in January of this year—and given that it would cost the consumers of Quebec millions of additional dollars to proceed with the plant at this time, we decided the correct course of action was to renegotiate the agreement with Quebec with a view to mothballing that facility. There are approximately 500 people on that site at the present time. If the mothballing goes forward in the interests of the consumers of Quebec, then there will not be any significant reduction for a year's time of the number on the site at the present time.