

## Oral Questions

[English]

**Mr. Basford:** I, along with the hon. member, would certainly hope so.

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## FINANCE

## EFFECT OF INCREASE IN BANK RATE ON REGIONAL DISPARITIES—GOVERNMENT ACTION TO COMPENSATE

**Mr. J. Robert Howie (York-Sunbury):** Mr. Speaker, my question is for the Minister of Finance, but in his absence perhaps I could direct it to the Acting Prime Minister.

Considering that the problems of investment financing resulting from a higher bank rate are likely to be most easily overcome by the established industrial base of central Canada, which has more extensive capital reserves to draw upon, does the minister anticipate any worsening of regional disparities as the result of the expensive credit policies of the Bank of Canada?

**Hon. Mitchell Sharp (Acting Prime Minister):** No, Mr. Speaker.

**Mr. Howie:** Has the minister consulted with his colleague, the Minister of Regional Economic Expansion, as to whether additional regional stimulative measures will be required in order to compensate for the increased financing difficulties faced by firms considering plant establishment or expansion in areas of regional disparity?

**Mr. Sharp:** I can assure the hon. gentleman that if such difficulties do arise there would be such consultations and such action.

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## TRADE

## REQUEST FOR AMOUNT OF EXPORTS AND NAMES OF UNITED STATES CORPORATIONS USING DISC

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, my question is for the Acting Prime Minister. In view of a report made public in the United States yesterday that more than a quarter of U.S. exports to Canada were funnelled through the DISC program, and that this includes most if not all companies which take part in the auto pact, and in view of the government's declaration in April, 1972, that DISC subsidized exports are a violation of the auto pact, what steps is the government taking and has the minister been in contact with American government officials with regard to this matter?

**Hon. Mitchell Sharp (Acting Prime Minister):** Mr. Speaker, one of the reasons the Minister of Finance introduced his special concessions for Canadian manufacturers was to offset actions of this kind. I think the success of this program has shown that, in fact, we have done extremely well.

**Mr. Nystrom:** I am not interested in a speech on behalf of CMA, Mr. Speaker, I am interested in knowing what this government is doing, especially in view of the fact

[Mr. Lambert (Bellechasse).]

that reports yesterday indicated that U.S. automobile companies may have saved some \$400 million in taxes because of DISC. I want to know whether or not the Acting Prime Minister knows what companies are taking advantage of DISC and how much of their exports have been channelled through the DISC program. Could he give some definitive answers?

**Mr. Sharp:** I cannot give a positive answer. We do not know which companies are taking advantage of DISC, but it was in response to measures like this that the government of Canada introduced the measures that are now on the books and that have enabled us to do so well in competition with the U.S.

**Mr. Speaker:** The hon. member will be recognized for a further supplementary, after which I will see the hon. member for Red Deer.

**Mr. Nystrom:** In view of the fact that the minister is saying he does not know what companies are taking advantage of DISC or what is happening, will the minister undertake to contact U.S. officials to find out which companies are taking advantage of DISC and to what extent? Will he make that undertaking to the House?

**Mr. Sharp:** I do not personally know which companies are taking advantage of DISC but the hon. gentleman will recall that the government has a surveillance program which enables it to watch the situation. We cannot, of course, reveal the tax position of any particular Canadian or particular corporations.

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## TRANSPORT

## POSSIBLE PURCHASE OF HOPPER CARS BY WHEAT BOARD—POSITION OF MINISTER

**Mr. Gordon Towers (Red Deer):** Mr. Speaker, my question is for the Minister of Transport. Would the minister inform the House what his position is as Minister of Transport, in view of the fact the minister responsible for the Canadian Wheat Board stated that the government will purchase 4,000 hopper cars, the Canadian Wheat Board offered to buy 4,000 hoppers cars under certain conditions, and the CPR and CNR said that the supply of railway cars is not the problem?

**Hon. Jean Marchand (Minister of Transport):** Mr. Speaker, I understand the wording of the question, but I would like to know exactly what the hon. member wishes to know. I think the Minister of Justice announced that we were going to buy 4,000 hopper cars.

**Some hon. Members:** When?

**Mr. Marchand (Langelier):** I think that they have to ask for submissions to find somebody who would build them.

**Mr. Woolliams:** 1980.

**Mr. Marchand (Langelier):** If the hon. member knows the answer, let him put it in *Hansard*, but I think he is