Hon. E. J. Benson (Minister of Finance): Mr. Speaker, this was not imposed as an anti-inflationary measure; it was imposed at a time when there was great pressure on the Canadian dollar. As with all other questions raised by the hon. member I shall take up the matter with the governor of the bank.

REDUCTION IN BANK OF CANADA INTEREST RATE

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a supplementary question. As a result of the confusion I did not quite understand the minister's original answer. Did he state that the decision to reduce the bank rate was that of the governor of the bank?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, it was the decision of the governor of the bank. If the government disagrees with it, the ultimate responsibility under the Bank of Canada Act, which I am sure my hon. friend has read, lies with the Minister of Finance.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question. Has the Minister of Finance any explanation to offer the House as to why the additional reduction of one-half of one per cent was made within ten days of the previous reduction?

Mr. Benson: We react to situations as they occur, Mr. Speaker.

Mr. Baldwin: Then why don't you do something about unemployment?

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Mr. MacInnis: A point of order, Mr. Speaker.

Mr. Speaker: Order. I will recognize the hon. member for Nanaimo-Cowichan-The Islands and the hon. member for Lotbinière in a moment, but I believe the hon. member for Cape Breton-East Richmond has a point of order.

Mr. MacInnis: Yes, Mr. Speaker. My point of order arises from the statement made by the Minister of Finance. He originally said, and confirmed it in answering a supplementary, that the decision to reduce the bank rate was that of the governor of the bank. Then the minister went on to say, in the course of his interjections and others, that the government had taken these actions during the last year. So he has definitely confused the issue and misled the House in respect of—

Mr. Speaker: Order, please.

Mr. Benson: A question of privilege, Mr. Speaker.

Mr. Speaker: Order. I will recognize the minister on a question of privilege, but obviously we are not making very constructive progress. I would suggest to the minister and to the hon. member who has raised the point of order that this is strictly a matter of debate between the minister, the hon. member and others. I would think we would be well advised to attempt to clarify a second problem, and I will give the hon. member for Nanaimo-Cowichan-The Islands the opportunity to take the floor.

Mr. Benson: Mr. Speaker, I rise on a question of privilege. The hon. member stated that I misled the House, which is just not the case.

Mr. MacInnis: That is not so. I never used that phrase at all.

Some hon. Members: Yes, you did.

Mr. Speaker: Order, please. The hon. member for Nanaimo-Cowichan-The Islands.

Mr. MacInnis: A point of order, Mr. Speaker.

Mr. Speaker: Order. Again I apologize to the hon. member for Nanaimo-Cowichan-The Islands; I understand the hon. member wishes to raise a further point of order.

Mr. MacInnis: Mr. Speaker, it is more a point of personal privilege. The minister said that I made a certain statement which I did not make. Now he is misleading the House.

Mr. Hees: Apologize.

Mr. Speaker: Order, please. The hon. member for Nanaimo-Cowichan-The Islands.

* * *

THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—ACTION TO MAINTAIN CANADIAN CONTROL

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, who I might point out has been absent two days in a row when he was supposed to be on the roster, may I ask the Prime Minister whether he can give the House any information as to what success the government has had in ensuring that effective control of the Home Oil Company of Calgary will be retained in Canadian hands? Has the government anything to report on the negotiations, and can the Prime Minister give the House any assurance that they have succeeded in doing what the minister said, namely, keeping this company within effective Canadian control and ownership.

Right Hon. P. E. Trudeau (Prime Minister): Thus far, Mr. Speaker, our success has been complete. I cannot speak for the future, of course, not being able to read into the future.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Prime Minister whether any Canadian companies have indicated their willingness to acquire the Home Oil Company of Calgary rather than having it go to the Ashland Oil Company of Kentucky, and has the government indicated its willingness to help