

FINANCE

DECISION NOT TO REDEEM 3 PER CENT
PERPETUAL BONDS

On the orders of the day:

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Prime Minister, in reference to a number of questions I asked in the house a couple of weeks ago, concerning the possible redemption of the 3 per cent perpetual bonds. Has the Prime Minister as yet had an opportunity of discussing with his colleague, the Minister of Finance, any possible methods or procedures for redeeming these 3 per cent perpetual bonds which have been held by many Canadians in good faith, as a saving and investment, for many years?

Right Hon. L. B. Pearson (Prime Minister): Yes, Mr. Speaker, I have discussed the matter with the Minister of Finance.

Mr. Nesbitt: I am sorry, Mr. Speaker, there was a little confusion in the house and I did not quite hear the Prime Minister's answer.

Mr. Pearson: Yes, I have discussed the matter with the Minister of Finance, who may be in a position to say a word or two about it now.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I have received a number of representations in the house and many hundreds by mail. We have examined the problem very carefully and we cannot see any more equitable way of dealing with it than the decision that was made by the government not to redeem the bonds.

Mr. Nesbitt: As a supplementary question, would not the Minister of Finance give consideration to some methods whereby these bonds could be redeemed from those who have held them in good faith and as a saving for many years? Surely some administrative procedure could be found to redeem the bonds held by these persons?

Mr. Sharp: Mr. Speaker, I have answered a number of questions on this point during the last two weeks. To redeem only the bonds held by those who have held them until now would do a grave injustice to those who sold them at big discounts, and altogether I can find no answer to this problem that is any more satisfactory than the decision to allow these bonds to be what they are, namely perpetual bonds, and not to take advantage of the

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occasion that arose to redeem them. To redeem them would have given a large capital gain to some people and would have been an injustice to those who sold them early.

Mr. Nesbitt: Is the Minister of Finance not concerned that since there is so much public interest in this matter—

Mr. Speaker: Order.

Mr. Nesbitt:—this decision may seriously disrupt the sale of future bonds?

Mr. Speaker: Order. I suggest to the hon. member that this supplementary question is not in order.

Mr. E. Nasserden (Rosithern): Mr. Speaker, as a further supplementary to the Minister of Finance, does he not think it would be a good idea to do something to restore confidence in these bonds?

Mr. Sharp: Mr. Speaker, as the house may know, there has been no effect whatever upon confidence in Canadian government securities. Indeed, when the Canada Savings Bonds were issued recently we had a record sale, and I am sure all members of the house are satisfied with the result.

Some hon. Members: Hear, hear.

[Translation]

EXTERNAL AFFAIRS

LESOTHO, AFRICA—ASSASSINATION OF
MISSIONARY

On the orders of the day:

Mr. Maurice Allard (Sherbrooke): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs.

Is he aware that a Canadian missionary, Father Almanzard Ménard, o.m.i., is reported to have been carved up alive in Lesotho, in the south of Africa, during a ritual murder? Will he check those facts and, if need be, demand that such barbaric acts be never perpetrated again?

Hon. Paul Martin (Secretary of State for External Affairs): Yes, Mr. Speaker, I am aware of that.

When we heard that Father Almanzard Ménard, of the Oblate Order, had been assassinated on June 30 in his mission near the