

Oral Questions

the hon. member suggests satisfy myself that it is the proper course of action.

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EXTERNAL AFFAIRS

POSSIBLE DISCUSSION OF PUERTO RICAN CONFERENCE OF
DIFFERENCE BETWEEN UNITED STATES AND CANADIAN
INFLATION RATES

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Prime Minister. In answering a question put by the hon. member for Richmond the Prime Minister indicated that the Puerto Rican meeting was an exchange of ideas and certain data. I wonder whether the Prime Minister could indicate if he picked up any idea when he was in Puerto Rico as to why United States inflation rate is down to almost 6 per cent currently while ours is still almost 9 per cent with controls?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, I did not have to go to Puerto Rico to know the proper answer to that.

Some hon. Members: Hear, hear!

Mr. Trudeau: Every informed member of this House knows that the Canadian economy was out-performing the United States economy very substantially, including the year 1975, when there was a recession of some 6 per cent in the United States and in Canada there was a GNP growth of only minus one. So there is a different phasing between the two economies. We did indeed talk a great deal about that and the dangers to economies if they tried to recuperate and pull each other into an excessive stimulation which would lead to increased inflation. This whole problem was discussed and of course I informed them about the Canadian position.

REQUEST FOR STATEMENT ON RESULTS OF PUERTO RICAN
CONFERENCE

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I wonder if the Prime Minister could indicate whether he intends to make a statement concerning the conference and if not why not?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I intend to table at the proper moment, when orders of the day are called, the communiqué in both languages which was issued at the end of the conference yesterday. On the question of why not make a statement, I am following my habit of not making any statement after my travels abroad because I find that generally they are counter productive.

[Mr. Andras.]

FINANCE

EXTENT TO WHICH LINES OF CREDIT TO ENGLAND AND ITALY
HAVE BEEN CALLED UPON

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my supplementary question is directed to the Minister of Finance who also attended the Puerto Rican conference. I am wondering if he could indicate to what extent our lines of credit to England and Italy have been called upon and has there been any request for the lines to be increased?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, there was no request for an increase in Canada's stand-by credit to the United Kingdom. There has been a drawing on this but I have been advised by the Governor of the Bank of Canada that it has been the general practice not to indicate the amounts drawn at any time specifically on this particular credit. There was no further discussion about extension of credit to the United Kingdom, although there was extensive discussion about the balance of payments problems that Italy faces at the present time and some consideration of the possible actions that might be taken in the international monetary fund to assist in this regard.

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EXTERNAL AFFAIRS

BASIS ON WHICH TRAVEL RESTRICTIONS ENDORSED ON
MEMBERS' PASSPORTS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is a supplementary to the Secretary of State for External Affairs. I should like to know first, who made the order to deny to members the use of passports wherever they choose to go. Was it done by the cabinet or was it done by officials in his department, because it is a very serious interference with the principle of the charter of the United Nations that there shall be free egress and ingress. I should like to know on what this practice which is being carried out is based?

Hon. Allan J. MacEachen (Secretary of State for External Affairs): Mr. Speaker, the right hon. gentleman will certainly be assured to know there is absolutely no effort to contravene the charter relating to entry or exit from any country. All that has happened has been that diplomatic passports, and passports of a special category, are not valid for entry to those countries under the present action that has been taken. Hon. members are free to travel, as are other citizens on ordinary passports which do not imply a possibility of recognition to regimes which Canada does not recognize.

The right hon. gentleman has asked under what authority. The special and diplomatic passports are issued under the authority of Order in Council 1956/1373 dated September 13, 1956 and regulations can be made by the Secretary of State for External Affairs under that particular Order in Council or administrative action can be taken by officials of the department under delegated authority. It is the latter category under which this action was taken. I am presently reviewing the action in light of the comments made by hon. members.