

Inquiries of the Ministry

upon request so that each will be advised of the death of its domiciled decedents and of the composition of their estates.

Motion agreed to and bill read the first time.

[Later:]

APPLICATION TO CERTAIN COUNTRIES

On the orders of the day:

Mr. G. R. Pearkes (Esquimalt-Saanich): May I direct a question to the Minister of National Revenue. Has the government reached any agreements similar to those which he announced as having been reached between Canada and Ireland with countries other than those that he referred to in his remarks this afternoon?

Hon. J. J. McCann (Minister of National Revenue): I think the list which I gave included them all, the United States, the United Kingdom, New Zealand, France and Sweden.

BLIND PERSONS ACT

AMENDMENTS LOWERING ELIGIBLE AGE TO 18 YEARS AND INCREASING MAXIMUM ANNUAL INCOMES

Hon. Paul Martin (Minister of National Health and Welfare) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to introduce a measure to amend the Blind Persons Act to lower the age for eligible recipients from 21 years to 18 years, and also to increase the maximum annual incomes allowed to recipients.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the house.

Motion agreed to.

FINANCE

BANK OF CANADA—REPORTED REDUCTION IN INTEREST RATE

On the orders of the day:

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I should like to address a question to the Minister of Finance, of which I have given him notice.

Is the recent move of the Bank of Canada as announced yesterday to reduce the interest on loans to chartered banks from 2 per cent to 1½ per cent a measure to make borrowing easier and is it expected by this monetary measure to stimulate business? Does this action of the bank represent government policy?

[Mr. McCann.]

Hon. W. E. Harris (Minister of Finance): Mr. Speaker, I think the answer will be quite short and I do not think I can do better than quote from the press release which was given out by the bank when they made the announcement. They said that the reason for the change in the bank rate was that the bank rate at the old level had ceased to bear a reasonable relationship to other short-term interest rates.

With respect to whether this is government policy or not, I think I should answer that it is the policy of the Bank of Canada which is charged with the responsibility of making these decisions.

Mr. Macdonnell: May I ask a supplementary question? Does the minister's first answer mean that the bank merely follows in the wake of business and does not seek to give a lead? Does the second answer mean that he does not agree with what the Minister of Finance and the governor of the bank said last year in the banking and commerce committee, viz., that the bank was under the control of the Department of Finance?

Mr. Harris: Mr. Speaker, so far as I know the Bank of Canada has served the needs of the Canadian people excellently and well during the past years. I am content to leave to them decisions as to when these changes might be made, and whether they lead or whether they follow the business cycle, as my hon. friend has mentioned. With respect to his second question, of course I do not disagree with anything that was said by my predecessor on the occasion that he mentions.

Mr. Macdonnell: May I point out that the minister has not answered my question as to whether this is a monetary measure by which it is hoped to stimulate business. The minister has not answered that.

Mr. Harris: I am sure that I did by reading from the announcement which gave the reasons for making the change.

GRAIN

WHEAT—REFERENCE TO RECENT EXPORT FIGURES

On the orders of the day:

Mr. H. R. Argue (Assiniboia): Mr. Speaker, I should like to direct a question to the right hon. Minister of Trade and Commerce. Would the minister care to comment on the figures released today by the dominion bureau of statistics showing a drop in Canada's exports of wheat during the first five months of this year by 15 million bushels and an increase in United States exports during the same period of 19 million bushels. Would the minister also comment on the statement in