

EXTERNAL AFFAIRS

ALLEGED DIFFERENCE BETWEEN STATEMENTS BY
MINISTERS ON INTEREST RATE ON LOAN TO CUBA

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, I have question for the right hon. Prime Minister. I must review the background of this question for him because of his inability to be present in the House yesterday.

An hon. Member: Where is Bob today? He is not sick.

An hon. Member: You are sick.

Mr. Alkenbrack: It concerns a question I raised yesterday in the oral question period. I asked the Minister of Finance for information regarding finances, particularly in relation to bonds. As background, I stated:

● (1140)

In light of this fact, the minister is lending several millions of this money to Cuba through the Canadian International Development Agency at 3 per cent, so how does he justify the economics of taxing Canadians through making them pay high interest rates and then giving the money away to foreign countries?

The minister replied:

The second answer is that Cuba is not receiving that interest rate.

Namely, the 3 per cent figure I stated. Later in the day, at about half past four, during the opposition debate on CIDA—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member has indicated that the Prime Minister was absent. Hon. members know that absence was unavoidable. The hon. member indicated that, out of courtesy to the Prime Minister, he was reviewing the background. I hope he will be able to do it in a brief way. However, the hon. member ought to be given that chance.

Some hon. Members: Hear, hear!

Mr. Alkenbrack: I am coming to the point, Mr. Speaker. I know the Prime Minister will co-operate with me. I stated he was unavoidably absent yesterday. We know that he is a busy man. During the CIDA debate yesterday, at about 4:45 I asked the Secretary of State for External Affairs, and I quote:

Mr. Speaker, I rise on a point of order. Having listened to the minister's comments with interest and heard him speak about the Cuba loan, may I ask, what is the interest rate on this loan?

The minister replied:

Mr. Speaker, I have the press release here; it contains all the details. I will be happy to send it to the hon. member.

I have the press release here. The minister sent it over immediately. It reads as follows:

The Secretary of State for External Affairs—

Mr. Speaker: Order, please. I wonder if the hon. member would put the question.

Mr. Alkenbrack: It states that the loan is for \$10 million. I quote:

Oral Questions

The loan, to be financed by the Canadian International Development Agency over three years, carries interest at 3 per cent per annum and matures in 30 years.

My question is, will the Prime Minister explain to the House why there is such a difference of policy between these two cabinet ministers, and tell the Canadian people the truth regarding the rate of interest on this soft loan to communist Cuba.

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I listened as attentively as I could. I see the difference in policy to which the hon. member is referring. After all, the facts are easily ascertainable. They are obviously contained in the press release. As to the policy, the government policy is well known. We have various forms of loans, soft and concessional, to various countries. The policy of the government was discussed by the House yesterday. I have nothing to add to that.

* * *

ENERGY

SARNIA-MONTREAL PIPELINE—REQUEST FOR DETAILS OF
AGREEMENT ENTERED INTO WITH INTERPROVINCIAL PIPE
LINE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources regarding the proposed pipeline from Sarnia to Montreal. On January 17, the press reported the Prime Minister saying that the government is now willing to offer some type of guarantee to Interprovincial Pipe Line Limited. I wish to ask the minister if any agreement has been reached in principle or actually concluded with Interprovincial Pipe Line. If so, what guarantees, if any have been given and what is the nature of those guarantees?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, after protracted negotiations between representatives of the Crown and Interprovincial Pipe Line, a draft deficiency agreement has been worked out with Interprovincial Pipe Line whereby, in general terms, the government will in the years in which there is no revenue from the Sarnia to Montreal section be prepared to assume responsibility for the fixed operating costs of that section of the pipeline. The purpose is to lay that particular draft agreement before the Standing Committee on Miscellaneous Estimates. I will be seeking, by way of a supplementary estimate, authority to enter into agreement on that particular part. At that time the agreement, which as I say has not yet been executed by the parties, will be laid before the committee for committee discussion.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Does the proposed agreement contain a provision that the traffic charges to customers on the pipeline which is now in existence to Sarnia will be increased slightly, and the rate from Sarnia to Montreal will be increased substantially? Is that a commitment which the government has made in this proposed agreement?