

Inquiries of the Ministry

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I would like the minister to explain the differentiation between being in default and actually owing part of the advance. If a farmer, because the government has not been able to secure markets for wheat, is unable to sell his wheat by December 31 of this year, will he not then be in default and be denied any advance such as was outlined here today? I wish the minister would go into detail because the difference between owing and being in default is difficult to understand.

Mr. Pepin: Mr. Speaker, all the experts here understood what I meant. I presumed the right hon. gentleman was a wheat expert. I am surprised he does not know the difference between a farmer being in default and a farmer not being asked to deliver his grain.

Mr. Diefenbaker: Any time the minister can teach anyone in this house about wheat, it will be a new day, because he does not know anything about it himself.

Mr. McIlraith: He just did.

FINANCE**UNDERTAKING BY MINISTER TO MAKE POLICY STATEMENT ON U.S. TAKEOVERS**

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the fact that the Canadian Investment Dealers Association and the Toronto Stock Exchange have initiated a study into the effects of the foreign takeover of Canadian financial institutions, may I ask the minister how soon he will be able to make his promised statement as to the action the government contemplates with regard to this matter, and will he be making that statement prior to the house adjournment next week?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am very encouraged by the steps taken by the stock exchanges and the Investment Dealers Association, after consultation with my officials. With respect to my statement, I will be making it next week before the house rises. I am prepared to make it now but the Governor of the Bank of Canada is out of the country and I want to consult with him before I deliver the statement.

Mr. Douglas (Nanaimo-Cowichan-The Islands): As a supplementary question may I ask the minister if he has any indication that there are further takeovers of Canadian

financial institutions in prospect, and does he intend to take legislative action, if necessary, to prevent such takeovers?

Mr. Benson: I have no personal knowledge of any such prospective takeover.

Mr. Speaker: I understand the hon. member for Broadview has a supplementary question.

Mr. John Gilbert (Broadview): Thank you, Mr. Speaker. It is directed to the Minister of Finance. In view of the fact that Laura Secord has regained her Canadian citizenship, would the minister protect other Canadian corporate citizens from losing their citizenship by imposing a 30 per cent takeover tax as proposed by Mr. Gordon?

Mr. Benson: All I can say is, good for Laura, and I have no intention of imposing such a tax.

INDICATION OF INTENTION TO REFER STUDY OF INTEREST RATES TO STANDING COMMITTEE

Mr. David Lewis (York South): Mr. Speaker, I wish to direct a question to the Minister of Finance. I think it was last Friday I asked him if he would consider referring to the Standing Committee on Finance, Trade and Economic Affairs the question of constantly rising interest rates, despite immense profits being made by the financial institutions in Canada, and he said he would give this serious consideration. In view of the fact that the Banking Committee of the House of Representatives in Washington has already begun investigating this question, and since interest rates in the two countries are closely tied may I ask the minister if he is in a position now to tell the house whether he has reached a decision on the question of referring this matter to the standing committee?

Hon. E. J. Benson (Minister of Finance): Yes, Mr. Speaker, I intend to do it.

Mr. Lewis: As a supplementary question may I ask the minister whether he can possibly do it before the house rises for the summer recess, and will he also provide that this committee may meet during the summer, in view of the fact that a delayed investigation would not be very helpful?

Mr. Benson: Mr. Speaker, I would intend to make the reference before the house rises. As to when the committee meets—that of course is not up to me: It is up to the committee.