

Doody and Senator Smith (Colchester) during Question Period on Tuesday, April 22, regarding government borrowing and its effect on the exchange value of the Canadian dollar.

It is virtually impossible to determine with any degree of certainty the impact of different magnitudes of borrowing requirements on either interest rates or the exchange rate. This is so because the government has many alternative ways open to it to finance its borrowing requirements, because it can finance part or the totality of its requirements in Canadian or in foreign capital markets, and because it depends on what types of expenditures or investments these borrowed sums of money will be committed to.

Furthermore, there is a host of other factors which influence simultaneously the value of the Canadian dollar in either direction—for example, oil discoveries—and it would be an exercise in futility to attempt to separate the effects of public financing policy from the effects of other government-related and non-governmental actions on the value of the Canadian dollar.

The best we can say is that financing of government borrowing requirements is designed by the competent authorities in a way to minimize pressures on interest rates and the value of the Canadian dollar.

## THE CABINET

### COMMITTEE ON PRIORITIES AND PLANNING

**Hon. Duff Roblin (Deputy Leader of the Opposition):** I should like to put a question to my honourable friend with respect to the committee of which he spoke when he answered the first question today. Is it true to say that the members of that committee are cabinet ministers?

**Hon. H. A. Olson (Minister of State for Economic Development):** I think it is true to say that memberships of the cabinet committees are made up entirely of cabinet ministers.

**Senator Roblin:** Do I understand my honourable friend correctly to say that it is the considered policy of the government not to say which cabinet ministers sit on which committee?

**Senator Olson:** That is right.

**Senator Roblin:** Has my honourable friend any difficulty in reconciling that statement with the Speech from the Throne promise of a Freedom of Information Act?

**Senator Olson:** No, he has not.

**Senator Roblin:** Does he not consider that the public have some right to know who their masters are, who is planning the economic destiny of this country?

**Senator Olson:** They not only have the right, but they do know that the entire cabinet takes responsibility for all decisions made by committees or the cabinet.

**Hon. Lowell Murray:** That raises an interesting supplementary question. Does this committee on Priorities and Planning have a decision-making role?

**Senator Olson:** The decisions are made for and on behalf of the entire cabinet.

**Senator Murray:** I assume, then, that decisions made by the Cabinet Committee on Priorities and Planning binds the entire cabinet, and that the full cabinet receives word of those decisions by way of an information item on their agenda?

**Senator Olson:** If the honourable senator is asking me to reveal the documents and circulation of cabinet documents, I can tell him now, so that he does not waste his time, that I am not going to answer any questions about that. I can only go back to what I said a few moments ago—and it seems to me that it ought to be clear, but I will repeat it—the whole cabinet takes full responsibility for all decisions made by the cabinet. There is no deviation from that position.

**Senator Murray:** I appreciate that statement by the minister, but the point I want to confirm—and he has confirmed it a second time—is that decisions are, in fact, taken by the Committee on Priorities and Planning which, of course, bind the whole government and for which, according to the convention of cabinet solidarity, the entire government takes responsibility.

In other words, what we have under another name is an inner cabinet and an outer cabinet, the only difference being that with the present government we do not know who the members of the inner cabinet are.

● (1450)

**Senator Olson:** Well, the honourable senator can put that construction or interpretation on what I said, but it would not be mine. Therefore, I do not accept responsibility for his interpretation.

**Hon. Duff Roblin (Deputy Leader of the Opposition):** Would my honourable friend opposite be kind enough to inform us who the Chairman of the Committee on Economic Development is? He will not tell us who the members are. Who is the boss; who is the chairman?

**Senator Olson:** The Prime Minister is the Chairman of the Committee on Priorities and Planning, and I said that a few minutes ago. I am sorry my honourable friend missed it.

**Senator Roblin:** Are you telling us that the Prime Minister and the rest of his colleagues decline to identify the other members of the committee?

**Senator Olson:** Honourable senators, there are several other committees as well. There are committees on economic development, social development, foreign and defence policy, legislation and house planning, government operations, communications, Treasury Board, labour relations, security and intelligence, the public service, and other special committees of cabinet. I guess my honourable friends opposite do not understand straight, simple words, and that is all I am capable of giving them.

**Senator Flynn:** I agree.

**Senator Olson:** We do not release the membership of any of the committees. That has not changed since five minutes ago.