

Inquiries of the Ministry

[Translation]

REGIONAL ECONOMIC EXPANSION**REQUEST FOR GRANT TO ESTABLISH CARDBOARD MANUFACTURING PLANT AT CABANO**

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Minister of Regional Economic Expansion.

Last Monday my friend the hon. member for Bellechasse asked the minister the following question:

Has an application for a grant been filed with his Department by the Société populaire des pâtes et papiers du Québec which plans establishing a cardboard plant in Cabano but is now facing major financial problems? If so, what reply has been given to that company?

The minister answered that he would inquire and report to the House. Is he now in a position to tell the House whether that company has obtained federal assistance?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I have had inquiries made in the department. No application was made by this company with regard to Cabano. I believe an application was made on December 18, 1969 for the establishment of a cardboard factory at Sacré-Coeur, in the Lac Saint-Jean region, but no application to that effect was made with regard to Cabano.

[Later:]

[Translation]

Mr. Pierre De Bané (Matane): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion, related to the one put by the hon. member for Témiscamingue.

Am I justified in thinking that the minister, when he receives an official application from the Société populaire de Cabano, will grant it his usual sympathetic attention and will make a special effort in favour of the request?

Mr. Marchand (Langelier): As far as sympathy is concerned, that is sure, Mr. Speaker. As for money, we shall see, it will all depend on the request.

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[English]

FINANCE**REQUEST FOR POLICY STATEMENT ON INTEREST RATES AND CONSUMER CREDIT**

Mr. R. N. Thompson (Red Deer): My question is directed to the Minister of Finance. In light of increasing evidence and expectations that interest rates will rise significantly, even to record levels, and that money supply will tighten, will the government make a clear policy statement with regard to government policy on interest rates and consumer credit in order to allay increasing consumer and investor uncertainty?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I believe that we have the lowest short-term interest rates in the western world in Canada—

Some hon. Members: Oh, oh!

[Mr. Speaker.]

Mr. Hees: Watch out, you are spraining your wrist, Ben, congratulating yourself.

Some hon. Members: Oh, oh!

An hon. Member: Like father, like son.

An hon. Member: Tweedledum and Tweedledee.

An hon. Member: He looks like the yellow rose of Texas.

Mr. Thompson: Not having received an answer to that question, Mr. Speaker, may I ask the minister another. I remind the minister that everything we read from financial observers points to higher interest rates—

Mr. Speaker: Order, please. Would the hon. member ask the supplementary?

Mr. Thompson: It would be easier to ask a supplementary if the minister would answer my first question. In order to stimulate consumer and investor activity and relieve the upward pressure on the dollar, will the government consider initiating a strong low interest rate policy for the rest of this year and for 1972?

Mr. Benson: Mr. Speaker, that is exactly what we have been doing. If my friend will look at the expansion of the monetary supply in Canada he will find it has been the highest in many years.

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MANPOWER**AVAILABILITY OF CONSULTATIVE SERVICES TO LAID-OFF ALUMINUM COMPANY EMPLOYEES**

Mr. Frank Howard (Skeena): Mr. Speaker, I have a question which I normally would direct to the Prime Minister but I would like to get a thoughtful and reasonable answer so I will direct it to the Minister of Manpower and Immigration instead. With respect to the announcement by the Aluminum Company of Canada of a cutback of one additional smelter at Arvida involving the lay-off of an additional 300 men and the prospect that the next such move by ALCAN will take place at Kitimat in British Columbia, are the minister's manpower consultative services, which are supposed to be able to assist laid-off workers, in operation at Arvida and does he contemplate using the same mechanism for potential lay-offs elsewhere?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I would not want to speculate with the hon. member about what may happen in other places. We ordinarily respond immediately to any notice of lay-offs, offering consultative services and attempting to go into discussions with management and labour. I would want to check the exact state of the item to which the hon. member referred.