

The Address—Mr. D. S. Macdonald

Messrs.

McKenzie
McKinley
Mitges
Morgan
Muir
Munro
(Esquimalt-
Saaniçh)
Neil
(Moose Jaw)

Oberle
O'Sullivan
Paproski
Patterson
Reynolds
Rondeau
Schumacher
Scott
Stanfield
Stevens

Stewart
(Marquette)
Tétrault
Thomas
(Moncton)
Towers
Wagner
Whittaker
Wooliams
Yewchuk—83.

NAYS

Messrs.

Allmand
Andras
Barnett
Basford
Béchar
Bégin (Miss)
Benjamin
Blackburn
Blais
Blaker
Blouin
Boulanger
Breau
Brewin
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caron
Chrétien
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
De Bané
Demers
Douglas
Drury
Dubé
Dupras
Duquet
Ethier
Faulkner
Fleming
Foster
Fox
Gauthier
(Ottawa-Vanier)
Gilbert
Gillespie
Gleave
Goyer
Gray
Grier

Guay
(St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Harney
Herbert
Hopkins
Howard
Isabelle
Jamieson
Jerome
Knight
Knowles
(Winnipeg
North Centre)
Lachance
Lajoie
Lalonde
Lang
Langlois
Laniel
Leblanc
(Laurier)
LeBlanc
(Westmorland-
Kent)
Lefebvre
Leggatt
Lessard
Lewis
L'Heureux
Loiselle
MacDonald
(Cardigan)
Macdonald
(Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
(Vancouver
Kingsway)
Marceau
Marchand
(Kamloops-
Cariboo)
McRae
Morin (Mrs.)
Munro
(Hamilton East)

Neale
(Vancouver
East)
Nelson
Nesdoly
Nystrom
Olausen
Orlikow
Ouellet
Pelletier
(Hochelaga)
Pelletier
(Sherbrooke)
Penner
Peters
Portelance
Poulin
Prud'homme
Railton
Richardson
Rodriguez
Rompkey
Rooney
Rowland
Roy
(Laval)
Saltsman
Sauvé (Mrs.)
Sharp
Smith
(Saint-Jean)
Stanbury
Stewart
(Okanagan-Kootenay)
Stewart
(Cochrane)
Stollery
Symes
Thomas
(Maisonneuve-
Rosemont)
Trudeau
Trudel
Turner
(London East)
Turner
(Ottawa-
Carleton)
Watson
Whicher
Yanakis—125.

tion on an international basis to certain discussions we had with regard to the oil price and supply question. I had referred to the difficulties that the developing countries, which are not themselves oil producers, have in meeting the drastically increased cost of oil and had started to make reference to proposals which the Shah of Iran has put forward. His first proposal was for a bilateral credit to assist India in the difficulties it will have from the balance of payments standpoint in meeting its obligations for oil. The second proposal was put to the managing director of the International Monetary Fund and to the President of the World Bank. It was to set up a special fund for the purpose of defraying the expenditures, and thereby helping the developing countries with their balance of payments problems.

In general terms, the producing countries that I visited looked with some hostility on the meeting which took place among certain members of OECD and Washington—

Mr. Stanfield: Could the minister indicate whether this would be a loan to the developing countries—

The Acting Speaker (Mr. Boulanger): Order, please.

Mr. Stanfield: Would this be a loan to the developing countries or a grant or what?

● (1500)

The Acting Speaker (Mr. Boulanger): Order, please. Before we hear the minister, I think I should say that we ought to proceed in good order. I do not intend to refer to anybody in particular; however, if any member wishes to ask a question he should always address the Chair.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): Mr. Speaker, I am obliged to the Leader of the Opposition (Mr. Stanfield) for the question. The assistance to India will be a long-term soft loan, a credit, in effect, which in due course would be repayable. The proposal with regard to the fund would be, in essence, on a grant basis. The shah's proposal is that the 12 OPEC countries, the 12 developed countries plus 12 to be selected from among the recipient developing nations, would form the board and that the first two groups, that is the OPEC countries and the consumer countries, should be responsible for annual contributions to the fund, contributions which could aggregate about \$3 billion. These could be used on a grant basis for assisting developing countries with specific projects. Of course, there would be certain balance of payment benefits associated with these as well. We understand that we shall be hearing further from the Iranian government and from the officials of the International Monetary Fund and the World Bank on this question.

Rather than reducing the international oil price, the Iranian government would propose to use some of the benefits derived from the higher prices for the purposes of providing this kind of assistance. In this respect there is a difference of opinion between the producing nations. The view of the government of Saudi Arabia, as expressed by the minister of petroleum in that country, is that the price should be reduced. At this point it is difficult to say what the outcome will be, except that there will be a meeting of

● (1450)

Mr. Speaker: I declare the motion lost.

Mr. Macdonald (Rosedale): Mr. Speaker, immediately before the decision just taken, I was discussing the reac-