

Mr. Trudeau: The Tories disagreed.

Mr. Clark: That is offensive action.

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VETERANS AFFAIRS

REQUEST FOR STATEMENT ON TIMING OF AMENDING LEGISLATION—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, many times in the past number of years I have had the privilege of naming, as the seconder for my motions respecting veterans affairs, the former member for Humber-St. George's-St. Barbe. Today, I am happy again to name the hon. member for Humber-St. George's-St. Barbe (Mr. Faour) as my seconder. Accordingly, I move:

That this House calls on the Minister of Veterans Affairs to make a statement on Monday indicating what legislation respecting veterans he proposes to introduce prior to November 11, the sixtieth anniversary of the armistice which brought World War I to a close, in the knowledge that the House would be eager to pass such legislation without delay as a tribute to all of Canada's veterans.

Mr. Speaker: The presentation of such a motion for debate, pursuant to Standing Order 43, can be done only with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[English]

FINANCE

LEVEL OF INTEREST RATES

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Prime Minister: it concerns comments made by the Minister of Industry, Trade and Commerce outside a cabinet meeting last Thursday. The comments were recorded in a taped interview with CHCH-TV Hamilton and CFGO Radio in Ottawa.

The minister stated that the increase in the American prime rate will, and I quote, "have the effect of forcing us to raise ours," meaning the interest rate, "or capital will flee this country into theirs". Asked, further, if he felt Canada could afford a rate increase, the minister stated, "It is not a question of can we afford to; it is a question of can we afford not to. If the United States raises their interest rates, they automatically force ours up". Would the Prime Minister indicate if the minister was speaking on behalf of the government when he made those comments outside the cabinet meeting?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I understand that the comments quoted by the hon. member are

Oral Questions

out of date, because CP has issued a wire stating that the minister had not been quoted quite correctly.

Mr. Stevens: Mr. Speaker, I have the corrected CP story before me and, as CP has indicated, it was simply designed to change the emphasis of the minister's statement from a "positive" to a "possible" statement.

Mr. Trudeau: So what is your question now?

Mr. Stevens: The quotations I read to the Prime Minister were not taken from the CP, but from a verbatim tape taken off the radio as listened to by myself and certain members of our staff a few minutes ago.

In view of the fact that the minister categorically speculated on future interest rates in Canada, and has stated quite categorically that they will automatically rise with American interest rate increases, would the Prime Minister indicate whether he thinks the minister was acting in a responsible fashion by speculating on future interest rates in this country?

• (1117)

Mr. Trudeau: It is a difficult choice, whether I should trust CP or the hon. member. Just now he read a correction which says that the emphasis was changed from "positive" to "possible". If he is asking me whether it is possible that there will be a rise in the interest rate, of course it is; and if that is what the minister said, I do not see anything shocking about that. But it will still be the governor of the Bank of Canada who will decide, in consultation with the Minister of Finance. Certainly, that is a possibility.

Mr. Stevens: Mr. Speaker, my question is directed, again, to the Prime Minister. I would invite him, if he has not already heard the tape, in his own interest to listen to what his own minister said on the tape, and after he has listened to that, would he kindly go to the Minister of Industry, Trade and Commerce and suggest that in future he should make no such statements unless it is on behalf of the government?

Mr. Trudeau: Mr. Speaker, if the hon. member wants to do that, he is quite free to do it; but I am satisfied, on the basis of this correction, that the minister has not indicated anything would happen. He said something might happen. If this is what he said, that is fine. If he said that the interest rate would go up for sure—

An hon. Member: He did.

Mr. Trudeau: —which he did not, according to this correction—

An hon. Member: It's here.

Mr. Trudeau: If he said that, he did not state government policy which has been stated by the Minister of Finance.