

Oral Questions

who suffer from this high interest situation, we would thus be cancelling what we want to achieve as a first step.

Second, the hon. member knows very well that the rates set every Thursday during the auction sale are flexible and reflect the expectations and apprehensions of the market with respect to the inflationary push so that those rates mirror Canada's current situation. The hon. member may recall that not so very long ago our interest rates were way below those which our neighbours to the south had to cope with. Now, of course, the situation has changed and the rates continue to reflect the over-all condition of Canada's current economy.

[English]

ACTION CONTEMPLATED BY GOVERNMENT

Hon. John C. Crosbie (St. John's West): Madam Speaker, the minister is a master of befuddlement, "on the one hand and on the other hand". It was a straight question. May I point out to the minister that the Bank of England dropped its bank rate today from 14 per cent to 12 per cent? We are asking the minister to drop the Canadian rate now from 17.16 per cent because the U.S. rate has fallen 3 per cent in the last few weeks while our rate has not fallen at all.

● (1420)

The minister is aware that bank profits are at a tremendous peak. There has been a 76 per cent increase in profits for the Royal Bank of Canada. The reason given is the spread between the prime bank rate and the rates paid by banks on borrowed money. The United Kingdom has just introduced a special tax to provide an \$880 million payment from the windfall profits of the English banks made because of high interest rates. I ask the minister whether he is contemplating such a similar tax, or any action at all, in connection with the difference in the spread? Is the minister contemplating a decrease in the Bank of Canada rate? These are the questions. Never mind giving answers "on the one hand or the other", and telling us you are fighting against inflation. We want to know—

Madam Speaker: Order, please.

[Translation]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, I am quite amazed not at the questions but at the comments of the hon. member. The one he has just made clearly indicated that he is not interested in understanding the general situation. He is interested in statements, in other words his rhetoric and his style, and he does not want to understand anything and try to have them explained to him. I regret that the hon. member who is a former finance minister now refuses to understand the current situation and would want the government to answer him in the same rhetorical terms he uses to put his questions.

[English]

MISCELLANEOUS ESTIMATES

REQUEST THAT MINISTER ATTEND COMMITTEE MEETINGS

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in the absence of most of the inner cabinet perhaps I could put my question to an outer cabinet minister, the President of the Treasury Board.

Some hon. Members: Oh, oh!

Mr. Kempling: How far out can you get?

Mr. Stevens: As we all know, the President of the Treasury Board absolutely flubbed the introduction in this House of the main estimates of his department. Could the minister indicate why he has chosen to turn down the request to meet with the miscellaneous estimates committee last night, today and Thursday, bearing in mind that when the request was made the minister was free on all three occasions?

Mr. Siddon: Explain that one.

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I thought the hon. member was rising in his place to apologize for his curious behaviour of two weeks ago.

Some hon. Members: Hear, hear!

Mr. Johnston: With respect to appearing before the miscellaneous estimates committee, I will be delighted to do so. Last night was not possible. I was advised that the committee meetings were cancelled today and that the Tory party was having a caucus on Thursday morning. I have since spoken to the chairman of the committee who advises me that to the best of his knowledge the committee will be meeting on Thursday morning. I will be delighted to attend because I have been waiting a year to receive an intelligent question from the hon. member for York-Peel.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

INCLUSION OF ONE DOLLAR ITEMS IN SUPPLEMENTARY ESTIMATES

Hon. Sinclair Stevens (York-Peel): Madam Speaker, may I put my supplementary question to the same minister? It touches on Supplementary Estimates C which were introduced in this House, on which the guillotine will fall, as we know, within two weeks. Would the minister tell us whether he is aware that he has included 30 \$1 items in those Supplementary Estimates C, totalling \$868 million of expenditures or guarantees to be incurred on behalf of the Government of Canada? If he is aware that there is over \$868 million included in the \$30 worth of items, would he explain to this House why he thinks that is fair disclosure to the House and to