

Oral Questions

Section, Canadian Soviet Transportation Working Group, at the Pickering Airport Project and at the Mirabel Airport Project.

Motion agreed to.

ORAL QUESTION PERIOD

[English]

FINANCE

SMALL BUSINESS LOANS UNDER \$200,000—NUMBER AND RATE OF INTEREST

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance arising out of the growing complaints of small businessmen about the cost of credit to them these days. I should like to ask the Minister of Finance whether the two-tier system for small business loans is still in effect, as I assume it is, and, if so, whether the minister can tell the House what is the rate of interest charged on loans? I believe the figure of \$200,000 is the dividing line between the lower tier and the upper tier. Can the minister tell us what the interest is in the lower tier?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the hon. gentleman is perfectly correct in saying that the two-tier system is in effect. The rate of interest charged varies from bank to bank. I can give him the complete information tomorrow or send it to him personally.

Mr. Stanfield: Some time ago the minister indicated that a monitoring system was being established to enable the minister to assure himself from time to time that this policy was being followed in a satisfactory way. I should like to ask the minister whether in fact such a monitoring system has been established and whether in fact the minister knows, or has means available to him of knowing on a regular basis, the volume of loans made by banks in amounts under \$200,000 and the rates of interest charged?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I put that problem to the Governor of the Bank of Canada and suggested to him that we ought to have those figures prior to the Western Economic Opportunities Conference. As the hon. gentleman knows, the Canadian Banking Association has published figures of a breadth and depth not hitherto published. It is my understanding and expectation that we will have henceforth a far wider range of figures. As for the specific request concerning the breakdown of loans below \$200,000 and above that figure, I will check again to see what we can produce.

● (1430)

Mr. Stanfield: Is it fair for me to assume, as I do from the minister's answer, that the minister has not in fact established through his own office the monitoring system he indicated he would establish to follow the extent to which this policy was being carried out?

Mr. Turner (Ottawa-Carleton): I do not think that is quite a fair assumption. The publication of figures by the

[Mr. Ellis.]

banking system is becoming far wider than it was. I expect that full publication to continue. As to the monitoring system, I asked the Governor of the Bank of Canada to conduct it rather than the Department of Finance.

Mr. Speaker: Order, please. The Leader of the Opposition will be recognized on a supplementary question, after which the Chair will recognize the hon. member for Nanaimo-Cowichan-The Islands. We will return, if necessary, to this question on which many supplementaries are sought.

Mr. Stanfield: Mr. Speaker, the minister has indicated he will provide certain information for me tomorrow. Will he provide the volume of loans by the banking system in the recent period of time in amounts under \$200,000 and the rates of interest charged?

Mr. Turner (Ottawa-Carleton): I will give the hon. gentleman all the figures that I have.

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ENERGY

OIL—RESPONSE OF COMPANIES TO GOVERNMENT'S REQUEST FOR PRICE FREEZE—PUBLIC PARTICIPATION IN EXPORT QUOTA HEARINGS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Can the minister tell the House whether he has now received word from all of the major oil companies indicating their willingness to comply with the government's request for a freeze on Canadian crude oil until January 30? Have all the companies now agreed?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Yes, Mr. Speaker, I think I am correct in saying that certainly all the major ones have, subject, of course, to the qualification that they were not in a position to exercise control over non-owned distributors and subject to certain clarification as to the application of the request which we hope to cover by means of guidelines. But in general terms the answer is yes.

Mr. Douglas: May I ask the minister at what price per barrel at the wellhead is the freeze taking place and when he intends to introduce legislation to carry out the commitment he made last week to divorce the price of crude oil in Canada from the world price?

Mr. Macdonald (Rosedale): The price would be as of the date of the announcement which, as I recall, was September 4, 1973, and my hope would be to introduce legislation within the month of October because of the importance of early action.

Mr. Douglas: May I ask a final supplementary regarding the minister's announcement some time ago that the National Energy Board would hold hearings concerning quotas for export control of oil. Will they be public hearings so that consumers and other interested persons may have some input into these discussions before the quotas are set?