

Supply—Finance

Mr. Schreyer: A supplementary question, Mr. Speaker. In the light of the minister's answer I should like to ask whether he intends to make a decision on the request of the western Canadian potato growers' association for the imposition of a value for duty on United States exports of potatoes to Canada.

Mr. Greene: Mr. Speaker, if such decision is to be made it will be announced in the proper manner.

EXTERNAL AFFAIRS

REQUEST FOR STATEMENT ON BRITISH COLUMBIA-ALASKA BOUNDARY

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to my dear friend the Secretary of State for External Affairs. I preface my question by saying how pleased we are that he is coming to my home community later this month. I look forward to his visit with anticipation.

Some hon. Members: Oh, oh.

Mr. Speaker: Order.

Mr. Howard: Mr. Speaker, the question I wish to pose to the minister is whether he would enlighten us on the government's position with respect to the international boundary between Alaska and British Columbia.

Hon. Paul Martin (Secretary of State for External Affairs): Mr. Speaker, I am always very glad to enlighten my hon. friend.

FINANCE

INQUIRY AS TO NEW ISSUE OF SAVINGS BONDS

On the orders of the day:

Hon. J. W. Monteith (Perth): Mr. Speaker, I should like to ask a question of the Minister of Finance. Is the minister proposing to make an offering of Canada savings bonds to the public this spring, a possibility reported in this morning's *Globe and Mail*?

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, the government has under consideration making an offer to exchange the 1959 series for a new series. I made an announcement about this some time ago.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

[Mr. Greene.]

DEPARTMENT OF FINANCE

Administration

4c. Grant to the endowment fund of the Vanier Institute of the Family—L'institut Vanier de la famille, \$236,869.

The Chairman: Order. House again in committee of supply, supplementary estimates (C), 1967-68, of the Department of Finance, vote 4c.

Hon. Mitchell Sharp (Minister of Finance): Mr. Chairman, it had been my expectation two weeks ago that we would proceed with a debate on the state of the economy in accordance with the desire expressed by the opposition. Recent developments on the international scene and the adverse vote on Bill C-193 have altered the setting for this debate. It now takes on a new character and a new urgency.

The immediate and urgent task facing the government and parliament is to take action which will buttress confidence in the Canadian economy and the Canadian dollar in the midst of mounting international financial uncertainties.

There is little we can do in this parliament to affect the underlying forces at work in international markets. We do have responsibility to ensure that we do not contribute, either by our action or by inaction, to the weakening of our own position and the worsening of the world financial situation. I shall therefore take advantage of this occasion to indicate why it is that the government considers it essential to introduce fiscal measures to replace the revenues that would have been provided by Bill C-193. A resolution preceding the introduction of another and different tax bill for this purpose will appear on the order paper tomorrow.

In addition to the tax measure, which the government hopes can be dealt with as soon as possible, and the further cuts in expenditure which I shall announce, it is the government's intention to announce within a day or two proposals concerning restraint on the increases of prices and wages and other costs and incomes. These proposals will revolve around the establishment of a board of review.

● (3:10 p.m.)

Before discussing our domestic affairs and the policies that we feel should be followed in regard to them, I would like to describe some of the recent events in international financial markets since I gave my budget statement on November 30.