

*Inquiries of the Ministry***FINANCE**

## WASHINGTON MINISTERIAL MEETING—REQUEST FOR POLICY STATEMENT ON OUTFLOW OF CANADIAN CAPITAL—TAKEOVERS

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, may I direct a question to the Minister of Finance. In view of the statement that Canadian representatives at the ministerial conference were concerned about reducing Canada's dependence on net inflows of capital, may I ask whether the minister has any proposals to make or any statement to give to the Parliament of Canada about the outflow of Canadian capital? I ask this question because hundreds of millions of dollars of Canadian capital is flowing to the United States for purchase of equities. Did the minister make any proposals at the conference about reducing the net inflow of capital? Were any proposals made with regard to restrictions in outflows of Canadian capital? If so, what were the proposals?

**Hon. E. J. Benson (Minister of Finance):** Mr. Speaker, the outflow of Canadian capital for the purchase of United States equities is, of course, a matter that has to be decided by individual Canadian investors. This matter is not under the control of the Canadian government or the United States government. On the matter of capital inflow, I indicated that it was our intention to balance our current account, or do better than that in the long run, in order that we might depend less on foreign capital.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** A supplementary question, Mr. Speaker. Since takeovers of Canadian financial institutions result in increased outflows of Canadian capital, particularly from pension funds and insurance funds, will the minister be ready in a day or two to make his long promised statement on the action the government of Canada proposed to take with respect to the takeover of Canadian financial institutions and investment houses?

**Mr. Benson:** Mr. Speaker, I think the assumption my hon. friend made at the beginning of his question is wrong. As to the second part of his question, I hope to be making my statement on Monday.

[Translation]

**Mr. Bernard Dumont (Frontenac):** Mr. Speaker, I have a supplementary question for the Minister of Finance.

We have been informed that the Placements collectifs du Québec would be sold in the

[Mr. McIntosh.]

near future. Can the minister assure the house that this important financial institution will not be sold to American interests?

[English]

**Mr. Benson:** Mr. Speaker, I have no knowledge of such proposals.

[Translation]

**AGRICULTURE**

## APPLICATION OF POLICY TO WESTERN FARMERS

**Mr. Léonel Beaudoin (Richmond):** Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce.

As several newspapers have announced that the government was seriously considering granting an acreage subsidy to western farmers, could the minister tell us whether this is a new policy or whether the government is seriously thinking of confirming the statement to the effect that subsidies would be granted to western farmers so that they refrain from sowing in order to avoid producing a surplus of grain?

**Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce):** That question is really too complex, Mr. Speaker, for a brief reply, but the Minister of Agriculture has repeatedly stated that the income situation of western farmers is now being reviewed by the government.

[English]

**OIL**

## WASHINGTON MINISTERIAL MEETING—U.S. INTAKE FROM CANADA—SECRET AGREEMENT—ALTERNATIVE SUPPLIES

**Hon. George Hees (Prince Edward-Hastings):** I have a question for the Secretary of State for External Affairs in his capacity as head of the Canadian delegation that has been conferring in Washington. In view of the statement of the Secretary of the Interior of the United States that that country could absorb 500,000 more barrels a day of Canadian oil in addition to the 300,000 barrels which the secret agreement of 1967 permits Canada to export to the United States, did the United States ministers indicate a willingness to increase steadily the intake of Canadian oil so that the upper limit of 800,000 barrels a day can be achieved in the foreseeable future?

**Hon. Mitchell Sharp (Secretary of State for External Affairs):** Mr. Speaker, what the members of the United States administration indicated to us is what the hon. gentleman