

CANADA-UNITED STATES RELATIONS

SOFTWOOD LUMBER—CANADIAN EXPORT TAX

Hon. Jack Austin: Honourable senators, I should like to ask the Leader of the Government a question concerning softwood lumber and the current proceedings in the United States.

The Canadian media today is reporting that the Government of Canada has decided to impose an export tax on softwood lumber removals from Canada to the United States. Could the Leader of the Government advise us if there is any further information available in this respect?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I must say that no such decision has been taken by the government.

[Later]

Senator Austin: Honourable senators, I have a question supplementary to the one I addressed to the Leader of the Government a few moments ago. Would the government leader advise whether any province which exports softwood lumber to the United States has requested the Government of Canada not to take action to tax such exports of softwood lumber to the U.S.?

Senator Murray: Honourable senators, I will have to look into that question and bring the information back.

AGRICULTURE

WESTERN GRAIN FARMERS—GOVERNMENT ASSISTANCE

Hon. H.A. Olson: Honourable senators, I should like to follow up on the questions I asked yesterday about the \$1 billion aid package to western grain farmers.

Yesterday I asked for some additional information for a very specific and, I think, understandable reason, and that is that the farmers of western Canada are facing an extremely difficult financial situation because the international grain markets, for all the reasons already known, are so depressed. They would like to have some way of assessing where they stand with respect to this offer by the federal government.

It has been pointed out that the aid will not take the form of money that has already been committed or that the government is obliged to pay under crop insurance or the Western Grain Stabilization Program and so on.

Quite understandably, the Leader of the Government, at the end of my two or three inquiries, said that I was asking for detail that it would take him some time to obtain. My problem is that if farmers are to try to ascertain, to some extent, what they may receive under this program, they need to know the amount and the rules under which it will be paid.

Since that time there has been a report in at least one newspaper, perhaps in several, that the Minister of Agriculture has indicated that the \$1 billion is slated not only for western grain farmers but for farmers all over Canada, which would include the large sector made up of the corn producers in Ontario. I have no objection to their getting some assistance,

but that will only mean a dilution of that which was to go to the grain farmers. Obviously, the grain farmers in western Canada have greatly anticipated this form of financial assistance. They were told some time ago that there would be put in place a \$1 billion program. I believe that the Premier of Saskatchewan has made a similar announcement two or three times on behalf of the federal government. Now this financial assistance has been significantly diluted by spreading it around even more.

Could the Leader of the Government, at some time, provide us with more specific information on how much is to be distributed in the grain growing area of western Canada and the terms and conditions of that distribution? Obviously, the amount decreases every time the Minister of Agriculture tries to explain what the government is going to do.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I will see whether I can bring to the chamber tomorrow some information in answer to some of the questions put by the honourable senator, but I must caution him that I will not, tomorrow or the next day, be in a position to come in here with a complete program design to lay before the Senate. I will, however, attempt to satisfy tomorrow the honourable senator's curiosity on one or two of the major points he has raised.

Senator Olson: I appreciate that. I suppose that the honourable minister wants to wait until the meeting of the ministers of agriculture is over, which meeting, I believe, is going on right now.

Senator Murray: It is to be held tomorrow.

Senator Olson: Would the minister, in addition to seeking information, make some representations on this issue? The farmers of western Canada expect the government to deliver \$1 billion of new money. If that is not to be the case, would the minister so indicate so that the farmers will know the basis upon which they are to make plans in anticipation of some financial relief?

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

ALLEGED MISUSE OF MANITOBA INDIAN BAND FUNDS

Hon. Joyce Fairbairn: Honourable senators, I should like to direct a question to the Leader of the Government in the Senate concerning the very serious allegations we were made aware of overnight with respect to the financial dealings within the Department of Indian Affairs and Northern Development as they relate to Indian bands in Manitoba. Those allegations were made by an official of the department who has been responsible for supervising the use of federal funds, which are of the order of some \$270 million per year, in Manitoba. He spoke of defaulting on agreements, of the federal department misleading Parliament—I believe he used the word “lying”—and of the department and the minister trying to keep the lid on or move aside an independent audit of last June which