

*Oral Questions***FILM INDUSTRY**

DISTRIBUTION SYSTEM—OWNERSHIP AND CONTROL

Ms. Lynn McDonald (Broadview—Greenwood): Mr. Speaker, my question is for the Prime Minister. It concerns film distribution policy in Canada and his Government's objectives. Is it the Government's objective that film distribution in Canada be under the ownership and control of Canadians? Yes or no?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, the Hon. Member will have noticed we have indicated that we intend to bring in legislation which will help to correct a situation which has existed in this country for far too long where the domestic distribution system is, in fact, controlled from outside the country. We want to take steps to correct that.

REQUEST FOR INTRODUCTION OF LEGISLATION

Ms. Lynn McDonald (Broadview—Greenwood): I have a supplementary question for the Prime Minister, Mr. Speaker. What answer has he given the American Senators who, on June 2 of this year, sent him a scathing letter denouncing film distribution policy in this country? What reply has he given? Wouldn't the best reply be to introduce that legislation, which I understand is ready, and proceed with debate so that we can actually have something happen to improve the situation concretely?

Hon. Flora MacDonald (Minister of Communications): Mr. Speaker, again I would say to the Hon. Member that we have indicated the steps that we are prepared to take. Certainly the decision of the Government is to introduce legislation. I want to assure the Hon. Member, however, that the legislation will be introduced as quickly as possible.

Last week the Member was protesting when I brought in copyright legislation. That was long overdue as well. I want to be able to take these steps one by one. I hope the Hon. Member will not have the same negative reaction when I bring in the film legislation.

Ms. McDonald: That is untrue, Flora.

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AGRICULTURE

UNITED STATES EXPORT ENHANCEMENT PROGRAM

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Prime Minister. Last week at the Economic Summit we learned that there will be no let up in the grain and agriculture trade wars at least for the next two years. We also know that the U.S. Congress recently passed legislation to put another billion into the Export Enhancement Program and broaden the number of countries on which the U.S. can use that program.

In the Prime Minister's meeting last Thursday morning with the President of the United States did he raise the matter with the United States about using its Export Enhancement Program against Canada's traditional grain customers, such as Russia and Saudi Arabia? Did he get any commitment from the President that the Americans would not use this Export Enhancement Program against Canada's traditional grain customers, a program which is having a devastating impact on the price of wheat and grain for Canadian farmers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I raised this matter with the President and with other leaders at the Venice Summit.

I know my hon. friend will have been pleased by the results in agriculture where we reaffirmed the strong commitment to agricultural reform agreed to at the OECD and Canada's proposal for a mid-term review to implement these commitments. I think the leadership taken by the Government of Canada at Tokyo, where agricultural problems were placed on the agenda of the summit for the first time, and now the thorough airing which resulted in some concrete steps, will be of a nature to encourage western and eastern farmers. I know my hon. friend will want to applaud that very sincerely.

With regard to the specific problem involved in American agriculture, yes, indeed, I brought that to the attention of the President, the Secretary of State and the Secretary of the Treasury. This is part and parcel of the reforms that we hope the seven have agreed on to improve the conditions of agriculture in Canada.

Mr. Speaker: The Hon. Member for Algoma, a short supplementary, please.

POSITION OF UNITED STATES GOVERNMENT

Mr. Maurice Foster (Algoma): Mr. Speaker, can the Prime Minister say whether or not he got a commitment from the United States administration that it will not use the increased Export Enhancement Program against Canada's traditional customers? Would he mention that because obviously there is not going to be a drawback by the European Community of those subsidies for at least the next two years? Surely we can get a commitment from our best trading customer, the United States, that it will not use that Export Enhancement Program against our traditional customers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we have received no specific commitment in regard to action that the United States is contemplating in the next couple of weeks or months.

Clearly the communiqué and the results of the discussions are very encouraging in that they deal with the acceptance by the United States and Europe of the fact that the debilitating war of subsidies cannot go on. It is killing all the participants. It is damaging countries such as Canada, such as representatives of the Cairns Group who are free and fair traders in agriculture and who are being driven out of traditional