

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, as a first step I think the House could pass the farm credit legislation.

FUNDING FOR FARM CREDIT CORPORATION

Hon. John Wise (Elgin): Madam Speaker, I am quite convinced that the Minister of Finance does not understand the situation of the agricultural committee. He has just indicated that he is not aware of the status of that bill.

Does the minister know that farm bankruptcies are up 54 per cent from February over February, and they are up some 75 per cent from January over January? Does the minister not realize that the additional \$50 million that his budget provided for the Farm Credit Corporation has been spent, that those funds are exhausted? Does the minister realize that the banks are not participating in the Small Business Bond program? The minister some time ago, in answer to a question I put to him in the House, indicated that he wanted the banks to bleed a little bit. The Minister of Agriculture indicated, amongst other things, at a meeting in London, Ontario, that he would have \$1 billion to loan to farmers by June 1. That was to the Canadian Farm Survival Committee. The Minister of Agriculture also indicated that the Minister of Finance's budget did not let the banks bleed, but in fact provided a transfusion for the banks.

When will the Minister of Finance grant approval to the Farm Credit Corporation to allow the corporation to increase its borrowing authority, and grant approval for the Farm Credit Corporation to secure money from the private sector, and, furthermore, to introduce the agri-bond concept?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, when decisions are taken on a number of policy questions raised by the hon. member then, of course, they will be announced to the House. I am pleased to know that the provisions that were made in the budget to assist farmers through additional funding and through special rates for farmers in difficulty, have been so relevant and so successful that all the funds have been used up. I remember the opposition telling me that this was really a useless gesture, but it has proved to be very useful indeed. The hon. member has asked for additional funding. If any decision is taken on that point, an announcement will be made.

I want to tell the hon. member he is totally wrong in saying that the banks are not providing any Small Business Bonds. He inferred that the banks were not co-operating. Following a similar question asked in the House some weeks ago, I made an inquiry that was specifically directed to every single bank in the country and found that each bank was still in a position, or most of the banks, because of their tax position, were still in a position to provide these Small Business Bonds which are now available to farmers, as requested by members of the opposition. They have not yet understood or they do not remember how many good things, in response to their representations,

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have been contained in the budget which they have attempted, unsuccessfully, to defeat in the House three times.

Some hon. Members: Hear, hear!

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EXTERNAL AFFAIRS

CANADA-UNITED STATES AGREEMENT ON TESTING OF CRUISE MISSILES

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, my question is directed to the Secretary of State for External Affairs. Since the minister has now acknowledged, albeit reluctantly, that the cabinet late last year approved in principle an agreement with the United States, an agreement that includes the testing of Cruise missiles in Canada, a matter he saw fit to keep secret from the parliamentary committee discussing security and disarmament in his statement to the committee a few weeks ago, can the minister tell the House exactly what the agreement contains, and whether it includes other than, further than, Cruise missile testing and whether, as my colleague from Selkirk-Interlake indicated the other day, the United States government is forgiving the cost of R and D for the F-18s purchased by Canada, in exchange for our agreeing to the Cruise and other missile testing?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, the agreement to which the hon. member refers is presently under negotiation and that accounts for the fact that I am not able to give details of the agreement now nor was I in a position to present them to the standing committee. I might say that it is not anticipated that they would include the testing of other similar delivery systems. It would probably allow the testing of such things as artillery and helicopters, but in which case it is anticipated that there would be a separate agreement under the framework agreement which would legitimize the testing of a particular weapons system.

I might say, Madam Speaker, in response to the latter part of the hon. member's question, where she asks if we are doing this in return for certain benefits which the United States will confer upon us, we are not doing this for the United States. We are doing this for ourselves and for the alliance to which we belong. I can well understand the hon. member, who leads her party in rejecting the NATO alliance, that she would not be interested in the protection which that alliance gives us in its reliance on nuclear weapons. That is not the position of this government and the testing of these weapons systems is in the interest of our own defence.

REQUEST THAT AGREEMENT BE TABLED

Miss Pauline Jewett (New Westminster-Coquitlam): Madam Speaker, why does the minister make those statements when he knows perfectly well at least two members of the NATO alliance in Europe have refused to have the Cruise