

side to go into committee, which would give us the opportunity to reply to those kinds of questions. I have listened to the debate and the opposition is running around looking for someone to make a speech and passing around the same speech to each member who gets up. It would be more convenient for all members of the House and for the level of debate if we were to go into committee and reply to that point. Of course, it is provided in the Canadian constitution that resources belong to the provinces and we intend to respect that. I hope that we can get the matter into committee so that we may define and solve the problems in the resolution and do what the Leader of the Opposition will be asking for later this afternoon, that we unilaterally patriate the constitution.

● (1425)

**Mr. Stevens:** Madam Speaker, again to the Minister of Justice. If in fact it is the government's desire to ensure that the ownership of natural resources remain with the provinces, why did it not simply state that in the letter which the Prime Minister wrote to the Leader of the NDP?

[Translation]

**Mr. Chrétien:** Madam Speaker, we shall have answers to all those questions whenever the opposition will allow us to discuss them in committee.

\* \* \*

[English]

### INDUSTRY

#### MASSEY-FERGUSON—REQUEST FOR EXPLANATION OF REFINANCING PROPOSAL

**Mr. Edward Broadbent (Oshawa):** Madam Speaker, my question is addressed to the ever ready Minister of Industry, Trade and Commerce, and I see that he is getting prepared. Last night in the Standing Committee on Finance, Trade and Economic Affairs the minister refused to confirm any plans to refinance Massey-Ferguson. As the minister spoke in committee, a member of my party actually revealed to the minister the details of such a plan. Would the minister confirm that there is a proposal whereby the federal government will guarantee some \$200 million worth of investment shares and, if so, will he now tell the House whether the government has agreed to the refinancing package announced by Massey-Ferguson yesterday? Is the minister willing to make a statement in the House explaining in clear terms the details of this proposal?

**Hon. Herb Gray (Minister of Industry, Trade and Commerce):** Madam Speaker, I will not be able to confirm that the amount the hon. member mentioned is the amount which the government of Ontario and the Government of Canada are willing to guarantee as part of an equity refinancing program for Massey-Ferguson. We have not yet agreed to the proposal set out by Massey-Ferguson in its statement of late yesterday afternoon. Our participation will depend on the working out of satisfactory terms and conditions, such as the terms and conditions from lenders involving the postponement of repay-

ment of principal and interest and maintenance of lines of credit, as well as the agreement by Massey-Ferguson on conditions involving the maintenance of jobs and an increase in production, investment and research and development.

What I said in my press release on Monday is that the government of Ontario and the Government of Canada are:

—prepared to guarantee the capital risk of a portion of the new equity investment in Massey-Ferguson, providing various conditions are met, including a satisfactory degree of co-operation from the existing lenders.

I think that is pretty clear.

**Mr. Broadbent:** Madam Speaker, indeed it is very clear. The minister has just said that he will guarantee the new investors. I would like him to clarify the point even further, because the principal investors or largest shareholders in Massey-Ferguson are in fact the employees through their pension fund. Is the minister telling the House, then, that the Government of Canada will provide guarantees to the new free enterprise investors on their money so that they will not be taking any risk, but that the workers at Massey-Ferguson who have their pension funds tied up will not get any backing at all from the Government of Canada?

**Mr. Baker (Nepean-Carleton):** Watch out, he's going to jump out of bed, Herb!

**Mr. Gray:** Madam Speaker, if Massey-Ferguson does not survive, the shares of the employees held in the pension fund will not be worth anything. Our objective is to attract new equity investment to Massey-Ferguson to enable its equity refinancing, so that the company will not only survive but be strengthened. In this way the workers will not only retain their jobs but the value of their shares will be preserved. This is our objective. I am surprised that my hon. friend does not agree with this because the UAW, representing the workers, issued a statement yesterday indicating support for that approach.

● (1430)

**Mr. Broadbent:** A supplementary question, Madam Speaker. When they are more fully aware of the government's intentions, they may have some qualified opinions following on what the minister says they said yesterday. Will the minister confirm two things to the House. First, with this massive new investment that is going to take place, the inevitable result will be that the shares that are already held by the workers will decline very substantially in value. That is the inevitable result of this infusion of new capital. Therefore, they are not being guaranteed their investment to start with, as the minister is prepared to guarantee to new investors, and their current investment is going to go down in value. Second, if the Government of Canada is going to put up money for this enterprise, does the minister not think it is time that the Canadian public, which will be taking the risk, got some equity in the company?

**Mr. Gray:** Madam Speaker, the governments of Ontario and Canada have not said that they will be putting money into the company. They have said they are willing to guarantee the