

FORESTRY**BUDWORM INFESTATION**

Mr. Aurèle Gervais (Timmins—Chapleau): Mr. Speaker, my question is directed to the Minister of State for Forestry. Many of my constituents are concerned about the serious insect infestation by the spruce and jackpine budworm. I know I am speaking for many of my colleagues from across Canada and from all Parties who are concerned with the same devastating problem. Will the Minister indicate to the House what the federal Government is doing to control this infestation and to protect our forests?

Hon. Gerald S. Merrithew (Minister of State (Forestry)): Mr. Speaker, first, the Canadian Forestry Service supplies the advice, support, and research in that particular matter. The decision about what pesticide to use is absolutely in the hands of the provinces. We try to advise them but they make the final decision and issue the permits.

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INDUSTRY**CLOSURE OF THUNDER BAY WAFER BOARD PLANT**

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Minister of State for Forestry. He will be aware that Great Lakes Forest Products Limited in Thunder Bay is closing its wafer board plant tomorrow. Will the Minister personally intervene with that company to seek a one year delay that would allow the workers in the community to put together a package that would be designed to save the 150 jobs in question?

Hon. Gerald S. Merrithew (Minister of State (Forestry)): Mr. Speaker, that question should properly be directed to the Minister of Regional Industrial Expansion. However, I will take it as a representation from the Hon. Member and contact the company.

DEFERRED TAXES INQUIRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my supplementary question is directed to the Minister of Finance. The Minister will know that this company has, in the past, owed as much as \$130 million in deferred taxes. Will he join with his colleague in contacting the company and suggest very strongly that the wise use of that taxpayers' money would be to keep the company operating?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the Hon. Member misunderstands the meaning of deferred taxes. They are a bookkeeping entry, not taxes that are owed to the Government of Canada. These companies pay their taxes that are owing to the Government of Canada as they are due. Deferred tax is a bookkeeping treatment to keep the amount of tax payable, in a bookkeeping sense, on a fairly

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level basis. It does not represent at all taxes that are owing to the Government of Canada.

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AGRICULTURE**INITIAL PRICE OF WHEAT**

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of State for the Canadian Wheat Board. This morning the Prime Minister announced that he will give back the 2.5 cents per litre that he has imposed on farming since last September. When will the Government reinstate the 1985 initial price for wheat? How does he expect Canadian farmers to survive on \$3 a bushel for wheat when American farmers are getting over \$6 a bushel?

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): Mr. Speaker, I am glad that someone rose in the House to ask a question about some important economic issues that the Prime Minister addressed this morning in a press conference.

Some Hon. Members: Hear, hear!

Mr. Mayer: The Hon. Member should be getting up to congratulate the Prime Minister for making an announcement concerning agriculture and energy issues that affect the whole country. He should be congratulating him for taking the opportunity to sit down with farm leaders from across the country before going to the summit at Tokyo in order to take their concerns directly to the summit meeting. That is what he should be doing, instead of getting up and bad mouthing—

Mr. Speaker: Order.

Mr. Mayer:—a situation that he realizes is very difficult.

Some Hon. Members: Hear, hear!

Mr. Foster: It is obvious that the Hon. Minister does not want to answer the question.

FREIGHT RATE FREEZE

Mr. Maurice Foster (Algoma): Mr. Speaker, this morning the Prime Minister claimed that he would freeze freight rates. Will the Minister admit now that all that has been done by the Government is to pressure the grain transportation agency to revise its estimates on grain deliveries? The Government is not bringing in any legislation to do this; it is strictly a smoke and mirrors show.

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): Mr. Speaker, the Hon. Member's own Province of Ontario is the third largest grain producer. He should know that what the Prime Minister announced this morning will benefit not only the west, but Ontario farmers and other farmers across the country. The measures announced by the