

Oral Questions

per day in the Beaufort Sea. We are looking forward to production. We recognize that there has to be further delineation wells, but we are hopeful that production from the Beaufort will not take too long. I might add that, when these discoveries are made, of course it encourages oil companies to continue exploration in our frontier areas.

Some Hon. Members: Hear, hear!

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INSURANCE**LIABILITY PREMIUM INCREASES—REQUEST FOR COMBINES INVESTIGATION**

Mr. Alfonso Gagliano (Saint-Léonard-Anjou): Mr. Speaker, my question is directed to the Minister of State for Finance and concerns the insurance crisis. So that the Minister can understand the importance of this crisis, I will give an example of the terrible tragedy. The General Hospital of Toronto had to pay an increase of some 700 per cent this year over last year for liability insurance. Does the Minister believe that the insurance industry is doing something wrong? Will she support today the demand for an investigation made by 10 Members of Parliament asking Director O'Farrel to investigate the insurance crisis?

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, I think I should explain to the Hon. Member that several times in the House I have expressed my concern for this issue. I have tried to explain to the House the importance between our area of responsibility and that of the provinces. The provinces have taken some appropriate action to deal with what is indeed a very real problem and one about which we care a great deal. Our policy concerns have to do with solvency and the capital base. Those are the kinds of issues which we will be bringing to the House in the process of our entire examination of the financial services industry.

Yes, I do care a great deal, and we are in touch with the industry on this basis. However, it is important not to leap into someone else's area of responsibility every time there is a problem.

[*Translation*]

REQUEST THAT MINISTER INTERVENE ON BROAD BASIS

Mr. Alfonso Gagliano (Saint-Léonard-Anjou): I have a supplementary, Mr. Speaker. The Minister of Fitness and Amateur Sport has said here and elsewhere, and as recently as this morning on television on the program *Canada AM*, that he would take action to help the Canadian Ski Team. Why could the Minister not do the same for the municipalities, hospitals, school boards, businesses and individuals faced with these insurance problems?

[*English*]

Hon. Barbara McDougall (Minister of State (Finance)): Mr. Speaker, I think this question has been answered in the House several times over the past few days. It concerns the fact that there is a very difficult situation in a number of areas affected by insurance. We are dealing within our area of responsibility, and we will continue to do so.

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[*Translation*]

INDUSTRY**GAZ MÉTROPOLITAIN OFFER—PRIME MINISTER'S POSITION**

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Prime Minister. Is he not aware that the *Gaz Métropolitain* company announced yesterday that it had to withdraw its purchasing offer because it could not obtain a guaranteed external market for all its sales as required by Ultramar? Will the Prime Minister put pressure on Ultramar so that Quebecers will not be paying excessive prices because of the monopoly this company wants to establish?

Right Hon. Brian Mulroney (Prime Minister): I think that my honourable friend is wrong. Ultramar has been associated with the economic development of Quebec for many years. As concerns job creation, they have made a commitment to the Quebec Government and ourselves for another capital investment of \$150 million, I believe, to create more jobs in Quebec. We in Quebec therefore consider Ultramar a good corporate citizen. However, what we want first of all is more job creation and reasonable prices for the consumers. We are going to meet both objectives by favouring Quebecers and economic recovery in Quebec.

An Hon. Member: Absolutely!

[*English*]

REQUEST FOR COMBINES INVESTIGATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, in light of the fact that all the evidence which has surfaced so far indicates that Ultramar has a precondition on the sale of its refinery that any purchaser cannot sell into the Quebec market, is the Prime Minister prepared to initiate, under Section 32 of the Combines Investigation Act, an investigation to ensure that the consumers of Quebec are not held to ransom by an oil monopoly?

Some Hon. Members: Oh, oh!

[*Translation*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I had some difficulty understanding the question, but I think that I have heard it now and that I can fully assure my friend that the Federal Government, led by a Quebecer and