

*Oral Questions***CANADA SAVINGS BONDS**

USE AS COLLATERAL FOR LOANS

Mr. Ken James (Sarnia-Lambton): Mr. Speaker, my question is directed to the Minister of Finance and deals with the procedure of selling Canada Savings Bonds. Residents of my constituency were approached by financial institutions and dealers in 1985 with the idea that the individual take out a loan for CSBs from the institution at a preferred rate of interest, using only the bonds as collateral. The individual signs over the bonds after the new year, realizing a tax deduction—

Mr. Speaker: Order, please. This is a very long question.

Mr. James: Given that close to \$3 billion in CSBs have been cashed in during January and February, 1986, could the Minister inform the House if the high redemption of CSBs can be attributed in any way to the CSB sales scheme that I described, a scheme that I know the Minister—

Mr. Speaker: Order, please. Order. This is far too long.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member has raised this matter in the House before, and since he has raised it with me I have instructed the Bank of Canada to investigate it. That investigation is being carried on right now and I appreciate receiving this further information from the Hon. Member. I will ask the Bank to look into that as well. I should say that I think a large part of the redemption of the CSBs during this period has been related to the increase in interest rates.

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ENERGY

WORLD OIL PRICES—LAY-OFFS ANNOUNCED BY IMPERIAL OIL

Mr. Russell MacLellan (Cape Breton-The Sydneys): Mr. Speaker, my question is directed to the Right Hon. Prime Minister. Imperial Oil has eliminated 1,800 jobs in the energy industry. If Imperial Oil has done that, you can imagine, Mr. Speaker, what is happening to small Canadian companies. Does the Government still want to wait and see what is happening to world oil prices before it takes any action? How many jobs have to be lost before the Government does something?

Mr. John McDermid (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I can assure the Hon. Member and all Hon. Members of the House that ongoing discussions are taking place between the producing provinces and the Government of Canada, keeping a watching brief on the situation. It is not a time to panic or make knee-jerk reactions like the Opposition would have us do.

GOVERNMENT POLICY

Mr. Russell MacLellan (Cape Breton-The Sydneys): Mr. Speaker, my supplementary question is likewise directed to the Prime Minister. With all due respect to the Parliamentary Secretary, this situation is becoming very serious. I would like the Prime Minister to treat it as such and to answer the question. What does the Government plan to do to save the energy industry in Canada?

Mr. John McDermid (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, this Government has done more for the energy industry in Canada in the last 18 months than any other previous Government.

Some Hon. Members: Hear, hear!

Mr. McDermid: The Hon. Member knows full well that we have been meeting with the energy industry, and the energy industry is asking us to maintain a watching brief. It is keeping us informed. It is not asking us to take any drastic action at this particular time. When action does take place, it will take place in co-operation with the provinces, the kind of co-operation that we have seen over the last 18 months but was not evident before this Government came to power.

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AGRICULTURE

IMPACT OF PROPOSED UNITED STATES FARM BILL

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, my question is for the Right Hon. Prime Minister. During his meeting with U.S. officials, we understand that the Prime Minister raised the issue of the devastating effects of the U.S. Farm Bill on Canadian grain producers. Did the Prime Minister receive any commitment from the U.S. that it would cease to disrupt the international markets in grain by giving away grain free, or by selling heavily subsidized grain on the world market?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I had an excellent discussion on the problems of agriculture with both the President and the Secretary of State, and also with the Senate leadership at some length. The view of the Senate was expressed in large measure by Senator Kassebaum.

I indicated to the Senators that, in our judgment, Canadian farmers were not getting either a fair price or a fair shake, and we wanted to make absolutely certain that they got both, including the unfettered access to those new markets that would give them a fair break internationally. We said we were going to be helpful to them in that process, and we sought the understanding and co-operation of the American administration.

PRICE OF GRAIN

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, since we did not get an commitment from the United States officials