

the shareholders of Pioneer Trust exactly what happened and who is responsible.

[Translation]

The Acting Speaker (Mr. Paproski): The Parliamentary Secretary to the Minister of Finance (Mr. Lanthier). He has three minutes.

[English]

Mr. Claude Lanthier (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I rise to respond again to this important issue raised by the Member for Regina East (Mr. de Jong). I recall vividly that he has raised this very same issue on several occasions before, including during a previous adjournment debate on February 12 of this year. Nevertheless, I am pleased to discuss the matter of Pioneer Trust and to once again put on the public record the Government's appropriate actions in these circumstances.

The Member will recall that on March 7 the Minister of State for Finance (Mrs. McDougall) sent a detailed letter to him outlining the issues surrounding the collapse of Pioneer Trust. In that letter the Minister of State for Finance clearly indicated the statutory authority of the Canada Deposit Insurance Corporation. As the Member for Regina East knows perfectly well, the Canada Deposit Insurance Corporation can enter into an agency agreement only if an arrangement is the least costly method of meeting its obligations to the insured depositors.

At a meeting on February 4 the Board of Directors of the Canada Deposit Insurance Corporation concluded that the least costly method would be to pay off depositors immediately, up to the insured limit, once a winding up order was issued. Of course, once a company is placed in liquidation an agency agreement is no longer possible. The Member for Regina East will also be aware that there is no authority under the Canada Deposit Insurance Corporation Act to make direct payments to uninsured depositors.

The Minister of State for Finance was asked today in this Chamber whether the Prime Minister's office had suggested that she conduct a public inquiry into the collapse of Pioneer Trust. I have been asked by the Minister of State for Finance to reiterate that the Government is of the opinion that no public inquiry is warranted. The fact that we are here again discussing this very same issue is evidence that the Government is prepared to provide all Members of Parliament with as much information as possible about the circumstances surrounding the collapse of this company.

● (1810)

I would like to conclude by reminding all Hon. Members that in both the Speech from the Throne and the November 8 economic statement, this Government indicated that revisions to financial institutions legislation is a priority. In addition, a private sector committee, chaired by Mr. Robert Wyman, is currently examining the mandate and operations of Canada Deposit Insurance Corporation. I think that these facts indicate clearly the commitment of this Government to the reform

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of financial institutions, as well as the priority of our Government's response to the Pioneer Trust situation.

CANADIAN WHEAT BOARD—ANNOUNCEMENT OF QUOTAS AND PRICES. (B) WESTERN GRAIN STABILIZATION ACT—ADVANCE PAYMENTS

Mr. Maurice Foster (Algoma): Mr. Speaker, last week I put a question to the Minister of State for the Canada Wheat Board asking when the Government would announce its initial price for grain and the quotas for grain. Traditionally, those announcements were made around the first of March so that farmers, when planting their crops for the year, could make wise and rational decisions based on the information provided by the Minister responsible for the Wheat Board.

When the Minister was a member of the Opposition, he was the first to complain if that deadline of March 1 was not met. The deadline has come and gone; it is now March 18. We want that information for the agricultural producers and grain farmers of western Canada.

There is a great deal of uncertainty this year due to reports that our grain exports will drop by some 25 per cent, from \$5.5 billion last crop year to about \$3 billion in this crop year. The day after I asked the question of the Minister in the House, a CP report from Vancouver indicated that grain shipments there were very low and over 100 elevator workers have been laid off. The article states:

Buyers, including the Soviet Union and Japan, are turning to other suppliers, leaving the port without its usual lineup of ships waiting at anchor.

"I've got practically no vessels," said Gary Dewar, a director of the Alberta Wheat Pool. "We've got all kinds of grain, but we've got no sales."

George Hedalen of the Canadian Wheat Board, the federal agency that markets grain, attributed the situation to record crops last year in many grain-exporting countries. He said the strength of the dollar is also driving buyers to Australia, Argentina and Europe.

Mr. Dewar said the Soviet Union allowed its grain contract with Canada to expire earlier this year and has not yet negotiated a new one. The current contract with China expires in July, while Japan, another big customer, is maintaining only minimum purchases under its agreement.

There is a great deal of concern and the Minister's tardiness in making the announcement is only causing that much more concern in the farming community of western Canada.

I suggest there is also a great deal of concern due to the policies of the United States Government which is reducing its support price on loans. There is a fear that the price will drop dramatically, and I believe that Canada should send a strong signal to the producers and the grain trade around the world that we intend to support and encourage our producers.

Although the Prime Minister (Mr. Mulroney) is meeting with the President of the United States in Quebec City, I am disappointed that there is no indication that he took up this important issue that is causing great concern in western grain producing circles.

I think it is important for the Government to announce those prices, the demand and quotas so that grain producers can make rational and wise decisions for the upcoming planting that will start within the next month.