

Oral Questions

nature of foreign import competition has changed dramatically in recent years inasmuch as huge single corporations have now become capable of funnelling sufficient goods into the Canadian market to supply between 10 and 20 per cent of the demand, as is the case with the shoe industry, and, if so, has he advised our negotiators in Geneva that it might be necessary for future trade agreements to deal not only with countries but with foreign corporations?

Hon. Donald S. Macdonald (Minister of Finance): That is not the approach which has been taken by Canada. It is done on a country to country basis.

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FEDERAL-PROVINCIAL RELATIONS**QUEBEC'S CLAIM TO LABRADOR—REQUEST FEDERAL GOVERNMENT SUPPORT NEWFOUNDLAND'S POSITION**

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the Prime Minister. In view of the fact that the new government of Quebec has laid claim to a large part of what is the territory of the Province of Newfoundland, is the government prepared to support the position taken by the Newfoundland government and, indeed, by all political parties in Newfoundland, that the land boundary is not negotiable with Quebec or anyone else?

• (1420)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not exactly know what the hon. member is referring to, except to say that there has been no new government appointed yet in Quebec. I imagine there will be in the next few days. The hon. member may be referring to some statements of the PQ party in its previous avocation; therefore, I am somewhat in the dark in answering the question. I can tell the hon. member that the constitution of Canada is quite clear on the point that he brings up: the frontiers of any province cannot be moved without the agreement of the provinces involved and of the Federal government.

Mr. McGrath: A supplementary question, Mr. Speaker, I ask the Prime Minister whether he would restate this position during his first meeting with the premier-elect Levesque? Would he restate that the position is not negotiable and that the territorial integrity of the province of Newfoundland, as safeguarded by the constitution, the British North America Act, will be upheld by the government of Canada, and will he transmit this to the new Quebec government?

Mr. Trudeau: Well, Mr. Speaker, the hon. member is asking me to state outside the House the answer I have just given, which is perfectly clear. If the question is asked at the conference that is, of course, the answer I will give; but I repeat that the premier-elect of Quebec is still only premier-elect. Until he forms his cabinet and makes any statement on the subject that is of concern to the hon. member, I do not see why I should answer a hypothetical question.

[Mr. Stevens.]

GRAIN**WHEAT—REDUCTION IN PRICE—GOVERNMENT ACTION TO RECTIFY TO PROTECT EXPORT MARKETS**

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Transport in his capacity as reporting to parliament on behalf of the Wheat Board. There is considerable fear among western Canadian farmers today concerning the drastic fall in the futures price on the United States wheat market. Indeed, December wheat futures are dropping to \$2.50 a bushel compared with a July high of \$4.20. The fall has been \$3.50 over the last two and a half years. Is the minister in a position to say whether or not, so far as the western wheat farmer is concerned, he will have to look forward in the coming year to a very pronounced reduction in wheat prices, and naturally as a result in his general income?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the most recently quoted Canadian Wheat Board price was over \$3.19. That does, of course, mark a distinct and significant reduction from the high levels that were achieved previously. In any short-run period of time the grain farmer still remains very significantly dependent on the world condition of the wheat and barley markets, and this can, over any particular year, seriously affect his direct income from sales.

Over a longer period I am confident that the world will continue, as it did in the last couple of years, to appreciate the value of this secure food stock. If the farmers' direct income from wheat and barley drops, it is of course no thanks to the right hon. member's party that we now have in effect a grain stabilization plan that will compensate the farmers.

Mr. Diefenbaker: Mr. Speaker, I have a supplementary question. Apparently the hon. gentleman never gets over his jet type reply.

Mr. McKinley: He suffers from jet lag.

Mr. Diefenbaker: I asked a very simple question, Mr. Speaker, and with the minister's usual lack of knowledge on the subject he endeavours to decloud the issue with observations that are entirely gratuitous. I ask him this simple question. Is it a fact that in so far as competition for wheat in the international field is concerned today, it has increased very much in the last few months with the result that our wheat markets across the world are endangered?

Mr. Lang: Not the wheat markets, but the price at which those markets are retained obviously is subject to threat. I thought that when the right hon. gentleman was putting forward his question and referring to American prices it might have been useful to him to have had a Canadian price to work with. However, beyond that the answer to his question in a sense had to be the obvious because the question had an obvious answer.