

Oral Questions

[Translation]

FINANCE

ACQUISITION OF STOCKBROKERAGE FIRMS—GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, the answers we got yesterday and even today in the House are certainly not reassuring. Yesterday, the Minister of Energy, Mines and Resources said from his seat that the Government had no intention of making any objections if Dome Petroleum were purchased by foreign interests. And yesterday, the Minister of State for Finance said that he was not worried at all about Canadian brokerage firms being taken over by American firms, for up to 50 per cent between now and June 30, 1988 and 100 per cent after June 30, 1988. I would like to ask the Minister of Finance, who is responsible for our financial institutions and who is the senior minister in this area: Is the Government going to wait until three quarters of our brokerage firms, the Wood Gundys, the McNeil Manthas, and the Richardson Greenshields are acquired by German, U.S., or Japanese firms, before it decides to intervene? What does it take for the Government to act before it is too late?

● (1440)

[English]

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, the Government is not giving foreign firms unrestricted access to Canadian financial markets. On December 18 I brought forward our policy on this matter which included three principles. The first is to maintain a strong and healthy Canadian presence in the sector. The second is to foster competition within Canada, which includes some foreign entry which has occurred in various financial institutions over the years. The third is that, to protect the ability of our world-class financial institutions abroad, we must give them some sort of access domestically.

Those are the three principles on which we are working. Our world-class institutions want access internationally because they can do very well internationally. Those are the principles which will guide our decision.

[Translation]

PURCHASE OF STOCKBROKERAGE FIRMS BY BANKS—JUNE 30 DEADLINE—GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, in his statement in December he said himself that as of June 30, foreign firms would be able to come and purchase our brokerage firms. What he just told the House is not only unsatisfactory, but there is also the fact that the big Canadian banks cannot purchase a controlling interest in a Canadian brokerage firm because they cannot get reciprocity in other countries.

So my question to the Minister of State for Finance is this. It will soon be June 30. If no action is taken, not only will our

big banks not be able buy brokerage firms in Canada, because they cannot conduct transactions abroad, but we are also leaving the door open to a wholesale take-over of our brokerage firms by American, German, or Japanese interests.

[English]

Hon. Tom Hockin (Minister of State (Finance)): Mr. Speaker, I have to ask the Hon. Member to listen carefully to my answer.

Mr. Garneau: I did.

Mr. Hockin: Access of non-resident firms to the financial sector in Canada must reflect the kind of access that our firms are given abroad. That is the principle.

Mr. Garneau: You didn't answer the question.

Mr. Benjamin: Tell that to Crosbie on his deregulation.

Mr. Blaikie: Quiet, Les.

Mr. Andre: That's the smartest thing you've said all year.

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AGRICULTURE

FUTURE OF MANITOBA SUGAR-BEET PRODUCERS

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, my question is for the Minister responsible for the Wheat Board. Time is running out for the game of political chicken which the Minister is playing with the Government of Manitoba over the future of the sugar-beet industry.

Two years ago he assured the Government of Manitoba that it would not have to make any further contributions to the stabilization of the sugar-beet industry. Why is he now insisting that that Government share in any future deficits as a result of the tripartite agreement which the Minister wants that Government to enter into? Why is he insisting on that and thereby breaking the promise he made to the Manitoba Government in 1985?

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): Mr. Speaker, no one is playing political chicken. Growers find themselves in the very unfortunate position of being caught in a dispute between two levels of government. We think that the offer which we have on the Table is very reasonable.

The Hon. Member will know that in June, 1985, this House passed a Bill calling for tripartite stabilization in agricultural programs. He will also know that his NDP cohorts in Manitoba have already negotiated, with our very distinguished Minister of Agriculture, a tripartite scheme in hogs. If the Minister of Agriculture for Manitoba wants to talk about tripartite agreements with regard to hogs, I do not understand why he does not want to talk to the federal Government about tripartite agreements on sugar-beets.