

*Oral Questions*

depressed areas have less access to automobiles and a greater need for economical public transportation such as the train.”

Has he read on page 9, Mr. Speaker, where the document has this to say:

“Cutting VIA Rail will represent a serious hardship particularly for the elderly, the handicapped and people travelling with small children.”

How does the minister justify this decision which has such an unequal economic and social impact on the people of this country?

[*Translation*]

**Mr. Bouchard (Roberval):** Mr. Speaker, the document to which the Leader of the Opposition referred was prepared by VIA Rail. It was submitted by the VIA Rail Corporation. It is a study, a document we used as reference, but in fact the Department and the Government consulted a series of documents concerning the decision to be made.

Mr. Speaker, I repeat that this document does not make any recommendations to the Government. We have considered it, but our decision to establish a national network commensurate with our ability to pay will not change. That is the kind of network we opted for yesterday and I am proud we did, Mr. Speaker.

[*English*]

**Hon. Warren Allmand (Notre-Dame-de-Grâce):** Mr. Speaker, my question is for the Prime Minister. It is interesting to note again that while the government is cutting 2,700 quality jobs with VIA Rail which will lead to the loss of another 6,000 jobs in related industries, it is proposing to hire 3,000 tax hounds to enforce the governments goods and services tax. That is Tory logic.

There are still one million unemployed Canadians in this country. There are still 1,200 CN workers in Moncton who are out of work due to government policies. The government is introducing these cuts at a time when the Minister of Finance is predicting an 8.5 unemployment rate in 1990, and at the same time the government is cutting unemployment insurance.

Will the government suspend these VIA Rail cuts not only until the transport committee reports but until the

government comes forward with a plan to retrain and/or to re-employ these VIA Rail workers in quality jobs, and to do it now and to put that plan before Parliament?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, my hon. friend places this in the context of job creation and employment. I think it is important—

**Mr. Gauthier:** Yes, jobs, jobs, jobs. Since this government was sworn in 1,555,000 new jobs have been created.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** Inasmuch as my hon. friend is interested, the unemployment rate in Canada has fallen from 11.6 per cent since the day my hon. friend left the ministry to 7.4 per cent in Canada today. Almost 60 per cent of those jobs created have gone to women and there has been greater job-creation for minorities across Canada.

It is true, obviously, that when there are lay-offs it is up to the government through retraining programs and severance packages to make sure that the employees are dealt with with the greatest of consideration.

I am informed by the Minister of Transport, and others who have examined this, that the severance package available to VIA Rail employees who will be affected by this decision is among the most generous ever initiated by Canadian industry.

**Mr. Allmand:** Mr. Speaker, the Social Planning Council of greater Toronto points out that 90 per cent of those new jobs are in low-paying service industries.

[*Translation*]

Mr. Speaker, a third of these jobs eliminated by VIA Rail will be in Montreal, where the unemployment rate is now 10.7 per cent. These cuts will result in 3,000 more jobs being lost in related industries in Montreal. Other companies have recently shut down in Montreal, including Vickers, Gillette, etc.

My question is: What plans does the Government have to replace all those jobs lost in Montreal, especially the quality jobs like those that will be lost at VIA Rail? Montreal wants action now, Mr. Speaker!

**Mr. Mulroney:** Mr. Speaker, my friend mentions—

[*English*]

**Ms. Copps:** Social Planning Council.