

Oral Questions

government does not have any evaluation mechanism to determine Hibernia's profitability.

Will the minister confirm the information contained in the Auditor General's report to the effect that her department does not have any means to evaluate the Hibernia project, in which the government is investing billions of dollars?

[English]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me reassure the hon. member across the way that this government is indeed very interested in the overall management of the Hibernia project. What I stated was that we are not involved in the day to day management decisions, the operating decisions affecting the project.

I have read that which the Auditor General has said in his report. The hon. member knows that to be fair he should point out that the Auditor General indicates we have gone a very long way to put in place systems to ensure this project is managed appropriately and that the taxpayers' money is spent effectively.

Let me suggest to the hon. member that we will continue to improve the mechanisms we have in place to ensure the taxpayers' money is spent effectively.

• (1435)

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the minister is omitting the fact that this evaluation mechanism will only be in place once construction of Hibernia is completed. Talk about control!

In this period of budget constraints, how can the minister explain to Canadian and Quebec taxpayers that she is sinking three billion dollars into a project without having any way of evaluating its profitability?

[English]

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me make it absolutely plain that the Government of Canada does have an evaluation mechanism. The Auditor General suggested that we improve it and we are doing that.

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THE DEFICIT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, my question is for the Prime Minister.

This government has been asking for spending cut recommendations. Mr. Parizeau recently said that Canada's system of equalization payments is too generous and saps the initiative of Quebecers. Why does the government not hit two birds with one

stone: Reduce the deficit by \$3 billion and simultaneously stop sapping the initiatives of Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the statements of the Premier of Quebec are very interesting.

Yes, we probably could study his suggestion that we cut on transfer payments of that nature. However I think he has not thought it through completely. I could hit two birds and two home runs at the same time but I think that for the good of Quebecers it is better to keep equalization payments in place.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the Auditor General in his report noted that welfare and UI create dependency and add to unemployment in Canada. Does the Prime Minister recognize the opportunities for budgetary savings which arise from these facts?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Long before the report of the Auditor General, Mr. Speaker, we decided to have a reform to do that, to make sure that these moneys are used to create opportunities and training.

The main goal is not to make money to reduce the deficit. If we can do it at the same time it would be perfect. The main goal is to use our money better and help people get training and get a job so that they will become productive. That is exactly what the Minister of Human Resources Development is doing at this time. I am delighted he will have the support of the hon. member.

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[Translation]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

Pressed by the media, the president of CN, Mr. Paul Tellier, admitted yesterday during a press conference that three or four CN administrators enjoy the same benefits as he does, namely interest-free loans.

Since these interest-free loans are not mentioned in the annual information circular of the company, will the minister confirm the information given by Mr. Tellier, and will he tell us how many directors of CN enjoy this type of benefit, as well as the amount of taxpayers' money which is loaned in that fashion to these CN officers?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member is fully aware that yesterday we explained that the benefits granted to the CEO of CN and to its board of directors are an internal decision of the corporation. The salary is set by order in council.