

Adjournment Debate

I must say, I feel a little sorry for the Minister because I am sure during this process she was not assisted at all by the interference of our Premier of British Columbia. He just could not keep his nose out of it. It was not at that stage a provincial question. It was part of federal negotiations. I think it was most important that he be sensitive to the whole free trade negotiations. The role of the provinces is to work in collaboration through the federal Government, not to intervene, compete and grandstand and try to take over in place of the federal Government. There was an election and a post-election period and the Premier of British Columbia wanted to be a hero. I wonder what kind of a hero he has turned out to be? What he did was create a situation where he is an embarrassment to us. I understand he was in the United States in this last week or so. I hate to think of what kind of things are now being negotiated behind our backs.

We have heard about a lot of the issues. I know I will be repeating some of them but I would like to put some of them on the record. The first and probably the most important issue, aside from the process I have already mentioned, is the implications that this whole incident has had, and will continue to have, on Canada's sovereignty. The United States now has the power to intervene and influence the forest policy of Canada. That is a very bad precedent for free trade negotiations generally.

I want to mention again what my Hon. Leader said when he spoke on this issue. He said with reference to the issue of sovereignty that the agreement contains the following words: Calculation of the value of any replacement measures in relation to the export charge will be subject to further consultations and agreement between the two Governments. Canada's fiscal and forestry policies will be subject to further consultations and agreement between the two Governments.

The word "agreement" is not an ambiguous word. If a provincial Government replaces the export tax with increased stumpage or other charges, it will have to obtain the agreement of the United States Government. I agree with our Leader. Certainly that would appear to be the case. He goes on to say that we are now involved in any change in implementing the replacement of the 15 per cent at the provincial level with the provinces having to go to the federal Government, and the federal Government having to trot down to Washington to say: "Will you please agree with us because if you do not, we cannot do it".

I think that any way one looks at it, it is a deplorable situation that we are losing such face and such control over our own forest industry. It is even more important that this is a precedent which will affect our total negotiations and our relationship with the United States, not to mention with other countries. If this example is effective with the United States, what are our friends in GATT and the European Market going to say to us?

We know that sovereignty is one of the very major concerns and sovereignty is a federal responsibility. Some of my colleagues in British Columbia do not care as much about the

sovereignty issue. They are concerned with the forest industry primarily. As federal politicians that is our responsibility. We are Members of Parliament. We have a Government that is in charge of all the external relationships of Canada. It is responsible for protecting our sovereignty. I do not think it has done a good job at all in this case.

• (2100)

The Acting Speaker (Mrs. Champagne): Order, please.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 66 deemed to have been moved.

AIR CANADA—EMPLOYEES' PENSION PLAN—REQUEST FOR FULL ANNUAL REPORTS

Mr. Ross Belsher (Fraser Valley East): Madam Speaker, late in November I had the opportunity to ask the Minister of Transport (Mr. Crosbie) a question concerning the availability of pension fund information for Air Canada employees. I had received some inquiries from a few constituents of Fraser Valley East who were worried that excess pension funds may be used incorrectly.

After examining the issue and after having the opportunity to question officials of Air Canada, I have found that instead of excess funds in the Air Canada pension fund there is actually an unfunded liability of some \$248 million. This figure is readily available from the Public Accounts, 1985-86, which is published by the Receiver General.

This unfunded liability is not a problem, however, since it is very closely monitored by actuaries. The actuarial studies are done over a 30-year period and the funding is being handled by annual payments over various periods ending in 2003. The actuaries ensure that a stream of payments exists that will eventually eradicate the unfunded liability and change the payments to meet the needs of the fund. The apparent lack of information about the pension fund experienced by some pensioners could be a result of misinterpretation of the actual details.

The Air Canada pension fund is based on a final earnings plan which means that the employees' pensions are guaranteed to the maximum, regardless of anything. The employer must meet that obligation. Since 1973, Air Canada has increased the pensions yearly, but this is done on an *ad hoc* basis, not by indexation. *Ad hoc* calculations include many important factors such as review of inflation, an examination of other large pension funds, ability to pay and community influences. In many cases this method actually gives the pensioner a higher increase than an indexed pension.