

Oral Questions

Why does the government say that the employees of Route Canada who lost their jobs—and many of whom lost their homes, their trucks and their futures, not to mention the taxpayers of Canada—have no right to know why the government gave this company to Manfred Ruhland?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, the government sold assets with a market value of about \$50 million to \$55 million, and received \$29 million for them. Those assets were producing a grand loss per year of \$30 million to \$40 million. You can only do that for so long before you run out of taxpayers' money.

Therefore it was sold by CN as a going concern to a company formed by the Fingold Brothers in an effort to make those jobs continue. The jobs did not. They went bankrupt, and that is a fact.

My hon. friend knows the matter is being investigated by the RCMP. I am sure the allegations that he made earlier will be investigated by the RCMP. When the report is finished action will be taken, if there is action to be taken.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, my question is for the same minister.

The employees of Route Canada relied on the integrity not only of the president of CNR but their employer, CNR, the largest Crown corporation in Canada. They relied on the integrity of the cabinet for fairness. They relied on this government which has a positive duty to each employee affected by this aborted transaction.

When will the government acknowledge its responsibility to the employees of Route Canada, reinstate them to their former employment, pay those employees their back wages and bring back the pension benefits which most of them have lost?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, now I know why my hon. friend got out of business and went into law.

You can only lose \$30 million to \$40 million a year for so long, especially if your asset base is only worth \$55 million. It was worth \$55 million. We got \$29 million for it, giving those employees an opportunity to continue working.

The company went bankrupt. Unfortunately, those are the facts of life. If my friend has any other information to bring to bear on the matter, he should phone the RCMP and give them that information.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, just to answer my friend, sometimes I wonder why I got out of business and went into law.

This transaction is truly a fraud on the Canadian taxpayer. Mr. Ruhland brought no cash to the table. He walked away with a \$100 million company. In 20 months he destroyed a \$100 million company by buying boats, airplanes and first class trips around the world. To add insult to injury, his mother's dog, whose name is Garci, is treated better than the employees of the company.

When will the minister take it upon himself to look after the employees who are affected by this aborted transaction?

Mr. Ferguson: The government is going to the dogs.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend knows that if anything was going to the dogs it was a company losing \$30 million to \$40 million a year. The taxpayers do not have that kind of money.

The Liberals used to think they had that kind of money. They used to think they would make it up on volume. But that does not happen any more. That is why we sold the assets.

* * *

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Mike Hunter, representing the processing industry of B.C., told the fisheries committee yesterday that the disastrous effects of the Canada sell-out of the west coast salmon and herring on the altar of free trade are just beginning to be felt.

Does the minister agree that the B.C. processors reflect the reality of the free trade ruling, namely, that the future of the industry has been thrown into serious compromise?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): No, Mr. Speaker, I do not agree.