

Oral Questions

Canada's economic reality and will he table a new budget to reflect that reality?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I know very well what economic reality is in Canada. I have been presenting a very clear, open and honest picture of what to expect from the economy, as set out in my budget of February this year. My colleague is probably not aware that I made a speech on September 17 in Edmonton where I set out clearly what we expect for the balance of this fiscal year. The questions that he has just posed were answered fully in that speech.

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• (1440)

AIR CANADA

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Minister of Transport. Persistent reports indicate that Air Canada is planning massive lay-offs of upwards of 2,000 to 3,000 people.

Given that deregulation has moved our air industry closer to monopolization, and given that the government is preparing to negotiate an open skies agreement with the United States, is the minister not concerned with this dramatic down-sizing of our largest Canadian air carrier, which may be a premonition of things to come for the entire Canadian air industry?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, my hon. friend will be aware that deregulation has vastly improved the number of routes, the number of flights that are available to Canadians, has increased the number—

Mr. Allmand: Where? Name one.

Mr. Lewis: Why don't you try Sudbury? There were two flights before deregulation and now there are 17.

My hon. friend knows that from time to time all companies go through rationalization. What my hon. friend is doing is reacting to headlines and pure speculation. I invite him to wait for the actual facts.

Mr. Sergio Marchi (York West): Mr. Speaker, the fact of deregulation is that two Canadian air carriers have basically gobbled up most of the regional air carriers. Most communities in the regions no longer have jet

service, thanks to the deregulation policies of this government.

Given that the predicted number of lay-offs at Air Canada are very disturbing, what kind of adjustment programs is the minister prepared to introduce to help these and future displaced workers in the Canadian air industry. Can he assure this House that communities in the regions will not be isolated as a result of such massive and disturbing cutbacks?

Hon. Doug Lewis (Minister of Transport): I suggest to my hon. friend, Mr. Speaker, that as a result of deregulation the communities do not have less jet service, they have better air service. That is what all the communities wanted and what they got from deregulation.

As far as pure speculation is concerned about what lay-offs what company might have, I suggest to my hon. friend he has got the plane in front of the pilot.

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ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is for the minister responsible for ACOA.

On three separate occasions my New Democratic colleagues have raised serious questions about this government's involvement with Technitread and now there is an RCMP investigation under way. This is but one of a litany of horror stories connected to this minister's department.

The minister said he would accept full responsibility if mistakes were made. Well, mistakes were made. When will he do the honourable thing and resign?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I am a little surprised at the tenor of my friend's questioning. It is really out of left field.

I told his colleagues from Nickel Belt and Essex—Windsor that I respected their acumen as regional development critics. As a result of what they indicated at committee I stated that I would have a second look at this particular project. I did that. There was no further public funding for this project.

I explained to my colleague from Nickel Belt that I would tell him what the purchase price was. He was of