

Oral Questions

[English]

FINANCE

RATIO BETWEEN GOVERNMENT DEFICIT AND UNEMPLOYMENT

Miss Pat Carney (Vancouver Centre): Madam Speaker, my supplementary question is also addressed to the Minister of Finance. We understand his appetite for deficits, but I believe it is unfair to suggest that the Governor of the Bank of Canada is wallowing in the same sty. The Minister has made the point that the deficit would be financed by borrowing from Canadians, and that would help create jobs. I would like to point out that, when the deficit was \$10 billion, the unemployment rate was 8 per cent. This current year, when the deficit is estimated at \$27 billion, the unemployment rate was 12.5 per cent. Why should Canadians lend this Government an amount equal to half their savings in order to help create jobs, when historically this approach has not worked? When is the Minister going to introduce more effective measures?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I hope that these measures will be contained in the next budget. I would like to remind the Hon. Member—

Some Hon. Members: Oh, oh!

Mr. Lalonde: Is there a revolution in the New Democratic Party over there?

I would like to remind the Hon. Member that I indicated that if there were no budget, if nothing were changed, because of lower revenues than anticipated, particularly resulting from lower anticipated oil prices, the deficit in 1983-84 would be around \$30 billion. That is before any particular changes are made by way of a budget. As far as what specific measures will be contained in the budget are concerned, I invite my hon. friend to wait for the budget.

As the Hon. Member well knows, the Government goes to the market for borrowing. No one is obliged to lend money to the Government. This happens on an open market and, up to now, Canadians have had greater confidence in Canada and the future of Canada than the Hon. Member seems to have.

* * *

ABORIGINAL RIGHTS

CONSTITUTIONAL ACCORD RESOLUTION—PROPOSED OFFICE OF CONSTITUTIONAL AFFAIRS

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, my question is directed to the Minister of Justice. Would the Minister tell us when it is the intention of the Government to bring forward the resolution flowing out of the Accord signed at the Constitutional Conference? Could he also comment on how the Government intends to use the new proposed Office of Aboriginal Constitutional Affairs which is being set up in the Prime Minister's Office?

● (1430)

Hon. Mark MacGuigan (Minister of Justice and Attorney General of Canada): Madam Speaker, we do hope to bring forward the resolution in the near future for consideration by the House at the appropriate time. I think my hon. friend will have to wait with respect to the new office which is to be set up for that to be done, and for the announcement to take place. At that point he will see what is the scope of that office.

USE OF PROPOSED OFFICE

Mr. Stan Schellenberger (Wetaskiwin): Madam Speaker, could the Minister then assure the House that it is not the intention to link the new proposed Office of Aboriginal Constitutional Affairs with the Indian Liberal caucus that was set up at the last Liberal convention? Can he also confirm they will not use this new office to flow economic development funds through to ridings where they think they can gain Liberal Indian friends, or to swing ridings that are called Liberal swing ridings?

Hon. Mark MacGuigan (Minister of Justice and Attorney General of Canada): Madam Speaker, as a result of the leadership this Government has shown with respect to native rights, it does not need any artificial aids in enlisting the support of native people across Canada.

* * *

TRADE

HOUSTON TRANSIT AUTHORITY—REJECTION OF BID BY CANADIAN COMPANY

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, my question is directed to the Minister of International Trade, in follow up to questions asked by my Leader on February 9 about a decision made by the Houston Transit Authority of Texas to purchase some 130 rapid transit cars for their subway system from a Japanese company over a bid submitted by a Canadian company. The Canadian company was CanCar of Thunder Bay, and its bid was some \$29 million lower than the Japanese, but despite that the Japanese got the contract.

Has the Government yet determined why we did not get the contract when our bid was so much lower than the Japanese, and will he give Parliament a report on what he has done as the Minister in charge of trade in an attempt to try to rectify this situation and save hundreds of jobs for Canadians?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, the Hon. Member refers to a commercial tendering in Texas whereby Hawker Siddeley was one of a number of companies which bid on a rather substantial sale. It is true that its bid was the lowest of those submitted. However, the authorities in charge of awarding the contract ruled that Hawker Siddeley was unresponsive to many aspects of the requirements of the bid document and it was disqualified on that basis. We have had contact with the