[Translation]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, yesterday, the Minister of Transport attempted to trivialize the generous interest—free loan of \$300,000 granted to Mr. Paul Tellier by Canadian National toward the purchase of a home in Westmount. The minister tried to explain this loan by saying it was in line with so—called similar practices in the private sector.

At a time when the CN is cutting 10,000 positions as part of its rationalization plan and the government is asking all its employees to make sacrifices, what is the Minister of Transport waiting for, as sole shareholder, to step in and put a stop to this outrageous privilege enjoyed by Mr. Tellier, one of the people most highly paid by the Canadian taxpayers?

• (1455)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, yesterday, I indicated in my answer that the practice with regard to the president of CN was one for which there were precedents at CN with previous presidents. I also explained that this was a situation that was commonplace in the private sector, given that CN is a Crown corporation.

Certainly, we are all aware of the upcoming changes at CN and elsewhere in the Canadian railway system. The salary of the president of CN was set by order in council before this government came to power. There is no doubt that the situation identified by the hon. member is of great concern to us. I can assure this House that, if it were up to us to decide, no such things would ever happen again in the future.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, how can the minister explain that there was no mention of the interest—free loan granted to Mr. Tellier in the annual information circular tabled last April by CN, CN declaring at the time that no loans had been made to any of its administrators or officers?

[English]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, this is undoubtedly a very serious matter.

As I indicated, the salary paid to the president of CN is set by order in council. The question of other benefits is an arrangement between the president and the board of directors of CN. I believe, as is the case of every member of the House and any person who is working in the public sector, they have an absolute obligation to explain exactly what the arrangements are.

Oral Questions

I fully expect the president of CN will avail himself of the opportunity to come before the press to explain to the hon. member who has raised the question or to anyone else exactly what arrangements he has concluded with his board of directors in a crown corporation that operates at arm's length from the government.

FIREARMS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, immediately after firearms were stolen from a store in B.C. a man arrested with them was only charged with possession of stolen property. For this he received a six-month jail term. In Ontario an individual apprehended with a fully automatic submachine gun received a \$1,000 fine.

Could the Minister of Justice explain to Canadians demanding sentences that would prove to be a real deterrent why the penalty for the theft of firearms or the possession of prohibited weapons is so lenient under the government?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will not comment on the sentences in those specific cases because I do not know the facts beyond what the hon. member has said.

The hon. member and I are on common ground in terms of the need for stern and certain punishment for the kinds of offences he has described.

The government will be introducing in the House during the coming weeks specific proposals in relation to firearms that will include very significant changes to the penalty provisions for the kinds of crime he has described.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, a young man in my riding had his .22 stored under the seat of his truck as the current storage regulations call for. When he lent his truck to a friend who was stopped for speeding the young owner was charged with lending a firearm to someone who did not have a valid FAC. This can be an indictable offence punishable by up to two years in jail.

While it seems harder to get a straight answer from this minister than it is blood from a stone, would he care to comment on the gross inequity whereby a criminal possessing stolen or prohibited firearms receives a slap on the wrist yet this young man is facing a criminal record because he lent his truck to a friend?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, rather than comment on specific cases that have been selected for the member's own purposes I would like to speak about the criminal law in general.