

Oral Questions

manufacturing sector in Quebec will be threatened as a result of a free trade treaty with the United States? Since many of these jobs are in industries that are particularly vulnerable such as textiles, clothing and footwear, what assurance can he offer that a free trade agreement with the United States would not cost Quebec more than it would gain in terms of jobs?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Hon. Member is asking a hypothetical question, but I can inform him that despite his preamble about the job priorities he mentioned, last week I spoke directly to President Reagan about these issues in connection with certain initiatives that may be taken by the U.S. Congress and which may have a disastrous effect on production in Quebec or elsewhere. I received the assurance that the President of the United States would intervene vigorously to support certain changes or free trade between our countries, to ensure that we would not lose jobs in Quebec or the rest of Canada, pending negotiations if any.

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TEXTILE INDUSTRY**IMPACT OF IMPORTS ON QUEBEC—GOVERNMENT POSITION**

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, does the Prime Minister realize that the textile industry in Quebec is losing jobs at this very moment as a result of imports, and if the President is going to intervene in the United States, will the Prime Minister and his Government intervene here in Canada to guarantee that at least half of the Canadian textile market will be reserved for Canadians and Canadian manufacturers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, what the Hon. Member forgot to mention is that in our first year, 304,000 new jobs were created, because the Conservative Government came to power; that the unemployment rate is the lowest it has been since three years; that youth unemployment has dropped 2.2 per cent in twelve months; and that interest rates are at their lowest level in seven years here in Canada. That is an extraordinary record of economic expansion.

Furthermore, Mr. Speaker, we have a positive policy in that we do not blame our neighbours. We know that we Canadians are able to do a lot when we work together, and 300,000 new jobs are a dramatic indication of what we are capable of achieving in our economy.

[English]

PUBLIC SERVICE**PENSION INDEXATION—POSITION OF PENSIONERS**

Mr. Barry Turner (Ottawa-Carleton): Mr. Speaker, I have two questions for the President of the Treasury Board and, with your generosity, I will have a chance to ask both of them.

The first is to request, on behalf of the many thousands of superannuates in Canada, the status of negotiations concerning the indexation of the pensions that they paid for.

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, further to my answer to the Hon. Member on September 26 last, I can inform him that we have received, on the management side and on the employee side, the reports of our actuarial consultants. Reports have been exchanged between the two groups, they are under study at the moment, and will lead to discussions within the next week to ten days to come to, as I mentioned at that time, a fair and equitable resolution to the issue, putting the pension fund of employees on a sound financial basis and in line with the commitments of this Party and the Government.

[Translation]

PUBLIC SERVANTS' PENSIONS—GOVERNMENT POSITION

Mr. Barry Turner (Ottawa-Carleton): Mr. Speaker, I have a supplementary question for the same Minister. I would like to know what you intend to do to restore the base of public service pensions which was eroded as a result of the unacceptable Bill C-133?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, this question has been raised many times by associations of employees and pensioners. They want the Government to review closely the very negative impact which that unilateral decision of the previous administration may have had on public service employees and pensioners.

The matter is indeed the subject of discussions with the groups involved and a decision will be made which I hope will be acceptable to all parties concerned.

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[English]

ENERGY**PRICE OF NATURAL GAS**

Mr. Russell MacLellan (Cape Breton-The Sydneys): My question is directed to the Minister of Energy, Mines and Resources who will remember speaking at Jasper last June when she said: "There are more than two million households out there on natural gas and they will be looking for a fair deal this November."