

government, although this organization may be a sort of subsidiary of the Quebec government's own housing corporation? Is the minister prepared to subsidize housing to make sure that Montreal senior citizens and low income families may also find shelter in the Olympic Village?

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, I wish to indicate that the Canadian government intends to make it possible for senior citizens and people with low incomes to become tenants of the Olympic Village. We could help these people by paying part of their rentals by way of contributions under section 44(1)(a) of the National Housing Act. On the other hand, we are seriously wondering why the Quebec government is demanding \$33 million from the non-profit organization which is apparently to become the owner of the Olympic Village. We feel that this purchase should be made against payment of a nominal fee, which would spare the future owner the problem of capital financing.

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[English]

TRADE

SUGGESTED INITIATION OF TRADE FAIRS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As the Canadian Manufacturers Association has stated that if this country could overcome its \$11 billion trade deficit each year in manufactured products, it could make available 800,000 additional jobs for Canadians to work at, would the Prime Minister seriously consider initiating "operation world markets" which would bring principal buyers from the most important industrial countries of the world to this country to see our manufactured products at giant trade fairs in Montreal, Toronto, Winnipeg and Vancouver and our heavy machinery in the plants where it is made across the country?

Mr. Speaker: Order, please. The hon. member surely is making a representation rather than asking a question.

Mr. Hees: Mr. Speaker—

Mr. Speaker: Order, please. The hon. member for York-Simcoe.

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PUBLIC SERVICE

POSITION OF MINISTER OF FINANCE ON INDEXING PENSIONS

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. Speaking to a group of businessmen in Toronto last Wednesday the minister very boldly told them that he and the government were considering capping public service pensions. By Friday the minister got away from that bold position. During a CBC interview he stated: "I don't think we could get away with it". It now being

Oral Questions

Monday, could the minister bring us up to date concerning his present position with respect to the indexation of civil service pensions?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I have talked about this in the committee. I have said nothing different from what I said to the businessmen in Toronto. This is a problem about which the President of the Treasury Board has spoken. There is much concern about the level of the pensions of some of the higher echelons of the civil service, and one solution could be the capping of those pensions. The President of the Treasury Board has already mentioned that. As usual, the hon. member takes only a little part of my remarks to make his point. When I was asked about the lower echelons, I said that it would be most difficult. That is exactly what I said, but that is not what the hon. member wants to say to the House.

EQUALIZATION OF SALARIES WITH PRIVATE SECTOR—CAPPING OF PENSIONS

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my supplementary question is to the Prime Minister. As the Prime Minister knows, last July a letter was sent on behalf of the government to business and labour leaders. One part of that letter indicates that the government would attempt to lower compensation for civil servants to the level of their counterparts in the private sector. The Minister of Finance was asked to comment on this at his meeting in Toronto on Wednesday. Would the Prime Minister indicate what progress has been made with respect to bringing civil service salaries down to the level of salaries in the private sector?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am afraid the hon. member may be inadvertently misleading the House when he indicates that civil service salaries should be lowered to the level of private sector salaries. What we have said is that salaries should be comparable as much as possible so that the public sector would not lead the private sector but would be able to pay a fair compensation comparable to the private sector. There has been a great deal of progress made in this regard. The President of the Treasury Board has met with his opposite numbers in the provinces to discuss this matter. It is a matter which has been very very central to the meetings I have had with the premiers in my current visits with them. I am sure that we will have occasion to report further on this matter to the House in due course.

Mr. Stevens: Mr. Speaker, I wish the Prime Minister would brief his Minister of Finance a little more fully before he speaks to his business friends in Toronto. The Minister of Finance at that time was not referring to an upward revision of civil service salaries or compensation, but one to bring them down to a more comparable level with the private sector. Would the Prime Minister indicate if from his remark today he is implying that what was in mind in July when he wrote to the business and labour leaders in the country was a general increasing of the civil service salaries and, specifically, what is