

Oral Questions

make a definitive statement regarding the benefits to Canada and Canadians from the pipeline?

Mr. Munro (Hamilton East): I did that long ago.

Mr. Alexander: It is all out, John, and as usual you are wrong.

Mr. Horner: Mr. Speaker, I think it should be obvious to all Canadians that the benefits Canada will receive from building this pipeline—the labour component, the steel component, the pipe-building component—will be a tremendous asset to Canadian industry. That should be obvious to everybody. I want to point out that in asking the question the hon. member clearly specified that these were estimates. They will be estimates until the pipe is laid in the ground.

NORTHERN PIPELINE—POSSIBILITY OF UNITED STATES
APPLYING TAX WRITE-OFFS TO MANUFACTURE OF PIPE

Mr. James Gillies (Don Valley): Mr. Speaker, I have a supplementary question for the Deputy Prime Minister in his capacity as chief negotiator in the pipeline agreement. I do not have any doubt about the proposition that Canadian steel can be competitive with steel anywhere in the world. The concern is, given the fact there is such underutilization of the steel industry in the United States, is there any probability or possibility that special advantages will be given to that industry by the government of the United States through tax write-offs or something of that sort, so that it will have an undue advantage in competing for manufacture of the pipe?

I know that under GATT, arrangements are made whereby you cannot dump, and so on, but this is very slow in coming about. When discussions took place with the United States about bidding for the pipe, was it understood—explicitly or implicitly—that no changes would be made, in either country, in the tax structure allowances or subsidies provided to the industry, so that competition will be based on the situation as it exists right now?

Hon. Allan J. MacEachen (Deputy Prime Minister and President of Privy Council): Yes, indeed, Mr. Speaker, this very point was raised in the discussions. It was understood that both countries would act in good faith, that neither would cheat. There is a provision in the pipeline agreement itself by which one or the other country might raise any such question formally if it were alleged that unfair trade practices or exceptional steps had been taken in order to get business. That is clearly stated in the agreement. When the pipeline legislation comes before the House, I think it will be possible to explain further how we intend to deal with an eventuality of this kind which has already been provided for in the agreement.

Mr. Gillies: Mr. Speaker, I should like to put a supplementary question to the chief negotiator in the pipeline agreement. Have the reports from Washington about the pressures being exerted by senators and members of Congress from the various steel states been of sufficient magnitude for the Canadian

[Mr. Alexander.]

government to raise with the United States government already—as they are apparently allowed to do—the possibility that undue pressure may be applied in this way? Is it too early to do that sort of thing?

Mr. MacEachen: Mr. Speaker, I should first of all congratulate the hon. member for his realization that it will be possible for Canadian business to participate effectively in this pipeline. He properly raises the question of what steps we can take if extraordinary or unfair practices develop. I think we can provide for that, and have provided for it. In answer to the question as to pressure, I would say that circumstances have not developed to the point where we would wish to raise this question formally with the government of the United States.

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HEALTH AND WELFARE

CARE OF THE ELDERLY—FINANCIAL AID FOR THOSE IN
INSTITUTIONS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. It concerns the increasing number of older people entering institutions. In view of the increase in cost due to inflation, particularly in the health care field and specifically affecting to the greatest degree those listed as charitable homes with only a few extended care beds and the rest of the beds mostly occupied by old age pensioners on supplement who have no resources—and leaving the balance of the cost to a charitable institution makes it very difficult for them—I ask what contribution is available through the Canada Assistance Plan to institutions which are now in financial difficulty?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, regarding home care for elderly citizens, home care and homemaker services are still covered and still cost-shareable under the Canada Assistance Plan. Under the block funding payments already in existence on the health side of my department, several institutions providing care to elderly citizens can benefit from whatever moneys the provincial governments decide to invest in these institutions. For instance, we presently give to Ontario over \$1 billion under this block funding arrangement. Priorities are set now only by provincial governments.

Mr. Rynard: A supplementary question. I should like to ask the minister if the Canada Assistance Plan is available to people who are looked after in their own homes.

Miss Bégin: Yes, Mr. Speaker, I am pleased to confirm that homemaker services and home care is still provided under the Canada Assistance Plan.