

that competition is not enough by itself and regulatory bodies may need to protect the marketplace.

Is the minister and this government now prepared to admit that on the transport side the economic policies of this government have failed miserably and that the only long-term solution to the crisis in the airline industry is strong government intervention, including financial assistance? Or, is this government still prepared to leave those 36,000 employees and their families hanging out to dry in this impolite, yet vicious marketplace?

**Hon. Jean Corbeil (Minister of Transport):** Mr. Speaker, I dare say that if the hon. member only learned this morning that the marketplace is not a polite place he should have been alive for a longer period. Everybody knows that the marketplace is a very tough place where everybody is trying to outdo the other.

We have indicated that we are working with the employees because of their very enlightened dedication and preparedness to invest their own money. We are working with all the players to arrive at a viable solution that will be fiscally responsible to the taxpayers of Canada and will make sure that it is in the best over-all interest of the nation.

**Mr. Iain Angus (Thunder Bay—Atikokan):** Mr. Speaker, I want to remind the Minister of Transport that it was his government that turned the airline industry over to that marketplace and set it up for the crisis it is in today.

It is not a question of whether or not the government will have to provide some financial assistance. It is a question of how and when. The government has a choice. It can say yes to the requests that are being made by Canadian and perhaps those that will follow by Air Canada or it can put up with the cost to unemployment insurance which will reach approximately \$150 million. The choice is the government's.

**Hon. Jean Corbeil (Minister of Transport):** Mr. Speaker, the fact that we held these very constructive and effective meetings over the weekend with the three interveners is a clear indication that we are interested in looking at what the possibilities are for a viable solution that will be fiscally responsible and also in the interests of the nation.

### *Oral Questions*

There are different obstacles in the present proposal. We have discussed them with all concerned and it is only when we have eliminated these very serious problems that we will be in a position to evaluate the risks to the Canadian taxpayers and also whether we can ensure the viability of the industry on a long-term basis. We are not looking for a band-aid that will cost taxpayers money and not be a viable solution.

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### TRADE

**Hon. Roy MacLaren (Etobicoke North):** Mr. Speaker, President-elect Clinton has stated that he will not seek ratification of the North American free trade agreement until environmental and labour standards are improved.

Is this now also the position of the Canadian government or is it standing by its initial assertion that the agreement is more than adequate as it currently stands?

**Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade):** Mr. Speaker, I think what President-elect Clinton has said is that he supports the NAFTA as an agreement. He is also looking for elements outside of the NAFTA to support some positions he is taking in support of the environment, labour, labour adjustment, health and safety standards, things that can be accomplished outside of the NAFTA.

I would expect that the process for legislation will continue. The legislation does not have to be completed until the implementation date of January 1, 1994. We will be proceeding with hearings in the committee tomorrow and the process will continue then. I would not expect that the Canadian legislation will be dealt with until the early part of next year.

**Hon. Roy MacLaren (Etobicoke North):** Let me understand the government's position, Mr. Speaker. Does the minister recognize that President-elect Clinton has said that he will not proceed with ratification of the NAFTA until there are parallel agreements on labour standards and the environment? Is that the position also of the Canadian government, or does it intend now to proceed with ratification of the agreement whatever the position of the United States is?