Oral Questions

tantamount to a renegotiation of the North American free trade agreement?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me quote from someone who I think speaks for the government.

The Prime Minister when asked a question about NAFTA said it will pass. The questioner went on to say: "There are serious doubts that it will be ratified". The Prime Minister said: "Oh, no. NAFTA will pass. NAFTA will be passed probably by June". In a CNN interview he said: "Oh, it will be ratified here by June. We are going to get it through the House of Commons". I am sure my hon. friend will support us in getting it through the House of Commons because it is very consistent with the trade policy that he advocates for members of the Liberal Party of Canada.

• (1445)

The matter is very clear. The policy of the government will pass. The side agreements on the environment and on labour will be negotiated among the three countries but the President of Mexico, the President of the United States and the Prime Minister of Canada have all said that the NAFTA signed in December will not be reopened.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister knows the opposition has for some time urged that Canada should seek strengthening of the labour and environmental clauses in the North American free trade agreement.

Now that the United States has taken that initiative, when is the minister going to state what the Canadian position is? Has he any position on the renegotiation which will begin next week of the two essential areas of environment and labour and quite possibly import surges? When is the minister going to share with the Canadian people what the position of the government is?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I know my hon. friend is not in the House all the time, but I have said quite consistently, starting from a year ago February, that the Government of

Canada has been in support of side agreements to the NAFTA covering labour and the environment.

These were turned down by the Government of the United States and the Government of Mexico, but now there is the new administration and President Clinton has said he wants to review the matter, and we are supportive of that.

Some of the aspects of the environmental matters were raised by Canada back in September. That contributed in part to the establishment of the North American Commission on the Environment, which is precisely what we proposed a year ago February.

[Translation]

CN RAIL

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport and concerns the decision by CN Rail to dismiss nearly 11,000 Canadian workers.

Since the Government of Canada is CN Rail's only shareholder, does the minister support this decision to dismiss workers in Montreal, Moncton, Winnipeg and other places?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the hon. member for Ottawa South surely knows that the government is not pleased about any job loss. Nevertheless, the hon. member must know that Parliament has given Canadian National the mandate to operate on a business-like basis and to give its customers the best service.

Canadian National is the sixth largest railway in North America in terms of its operations, with revenues of \$3 billion, and has the second largest number of employees. It has as many employees as companies that do almost twice as much business. CN must become competitive if it wants to stay healthy and the decisions it has made were made within the terms of its mandate.

[English]

Mr. John Manley (Ottawa South): Mr. Speaker, the minister clearly supports firing employees. Let me ask him this question. Mr. Tellier said in his announcement that federal and provincial taxes were a large part of the