

Senator Flynn: I don't doubt that.

Senator Olson: I think the safest way to answer it is to repeat the assertion that I know better than to comment on allegations that sometimes appear in the press.

Senator Roblin: Well, I think that is a pretty safe answer, honourable senators, but I will probably produce something more than a statement in the press one of these days in order to secure a more positive statement.

PUBLIC WORKS

TERMINATION OF COMMUNITY SERVICES CONTRIBUTION PROGRAM—EFFECT ON WINNIPEG

Hon. Duff Roblin (Deputy Leader of the Opposition): Honourable senators, may I address a question to the Leader of the Government in the Senate? It concerns a question which, I suspect, he will have to take as notice because it has to do with the Community Services Program. This is a program that the Government of Canada has made available to municipalities to support various municipal works of value. It was made available to the City of Winnipeg, but it has now been cancelled. I would like my honourable friend to tell this chamber, if he can, why it was cancelled—I presume money was one of the problems—and, more particularly, when it was cancelled, and whether any consideration was given to phasing-in this cancellation, because it is quite a blow to the budget of the City of Winnipeg to be suffered as it were, in one fell swoop, especially in the middle of budget negotiations.

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, I shall be pleased to bring a full statement to the Senate on this important subject. May I say, however, that this is not an abrupt termination of what was, I think, a very valuable program, and, certainly, a popular program, in Canada's provinces. There is a phasing-out of the program but we will see, despite the cancellation of the program, a substantial amount of public funds invested over the next few months. In other words, some projects, which were on the drawing board, will go ahead and will be completed. So this is not an abrupt termination.

Additionally, I might say that the government has been under criticism for its budget deficit, and in response to extensive opposition criticism, the government has been attempting to find ways to reduce expenditures in certain areas, especially in those areas where programs have been introduced and good works have been initiated. The feeling is that, now that some of the projects are under way, local resources can carry on these programs. Undoubtedly the program has been very popular and has been constructive. May I add that alternative ideas are under consideration now, which I believe will be very acceptable to municipalities across the country.

● (1440)

Senator Roblin: I thank the honourable senator for that assurance. I can tell him perhaps that one of the reasons advanced by the minister responsible, the Honourable Paul

[Senator Olson.]

Cosgrove, for junking the program was that Ottawa was not getting sufficient public credit for its contributions—which I admit is a pretty serious drawback to any expenditure of public funds—and that anyway these are really not projects that Ottawa should be financing.

That brings me to a point I should like to underline in respect of the minister's statement, because he said that it is all very well to start something, and once it is going you can safely drop it. Perhaps there are instances where that is correct, but in most cases all you do is start something going and then, to the great discomfort of the other parties in the deal you pull the props out from underneath them and they are left alone, because it is not always possible or sensible for them to immediately follow suit and curtail their own expenditures to the same extent. I ask the Leader of the Government to take that concept under advisement when he is answering the question.

I think he is quite right in saying that the government will have other programs, because, while they appear to be taking away from the City of Winnipeg \$8 million in this respect, they also appear to be handing back \$6 million for a new project that is called a core project in the centre of the city, so the government gives, the government takes away, and the City of Winnipeg loses \$2 million.

Senator Perrault: Most of these programs when introduced are not introduced with any assurance that they will be continued in perpetuity. Usually local governments and provincial governments are served with notice that federal funding is available for a certain period of time or for a certain purpose.

I well recall the federal Local Initiatives Program, which, while controversial in some respects, saw a great deal of local involvement a few years ago. The specific terms and conditions of those LIP grants were that they were for a period of, say, one or two years. In some cases the groups, after this preliminary period had come to an end, would immediately re-apply and say, "But this is such a marvelous work. The government has a responsibility to carry on this program."

This is a self-defeating exercise, if the government, in order to trigger certain good initiatives in a community by providing initial seed money is then asked to continue the program in perpetuity. One can well understand, if it were to be government practice to carry on programs well beyond the formal termination dates, why huge and unmanageable deficits could exist in the country.

I think the honourable senator, with his extensive experience in provincial government, is aware that the same circumstances occur from time to time as well in provincial municipal programs.

CANADIAN BROADCASTING CORPORATION

PROPOSED SALE OF ST. PAUL'S COLLEGE GROUNDS, WINNIPEG

Hon. Joseph-Philippe Guay: The City of Winnipeg is very interested in what we call the St. Paul's College Grounds, a very valuable property, which was bought by the CBC a few