

interest rate policy, and to look seriously at how monetary policy in this country is formed and the role of the Bank of Canada in that.

The minister did not respond to that particular request. I would suggest again that the minister instead of just simply looking at cuts to expenditures should also look at why they are necessary. Part of the reason for that is the monetary policy that was pursued by the previous Mulroney government and has been continued if not with even more zeal by the current Liberal government.

There are several things that the minister should be looking at in this area. The minister might recall that before 1967 the Bank Act legislated a ceiling on interest rates that allowed for some control. Prior to 1991 the act ensured that the Bank of Canada had some control over interest on the national debt.

I would like to ask the question why it is that the government will not be clear about the reduction in expenditures it wants to make to the social programs envelope? In addition, why will the government not look at the way and the role of the Bank of Canada, which has become I might add not the bank for Canadians but the bank for chartered banks, and how the government by looking at that could return the controls of its monetary policy to the people of Canada and not simply to the chartered banks.

I would be very interested, Mr. Speaker, in again posing those two questions.

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, the Government of Canada has embarked upon a significant reform of Canada's social security system in co-operation with provincial and territorial governments and with all Canadians. The social security review is allowing Canadians to consider options for structural reform of Canada's social programs. At the same time this review must respect fiscal realities and the government's deficit reduction targets.

The 1994 federal budget established fiscal parameters for social security reform. It announced measures that would reduce spending on unemployment insurance by \$2.4 billion. It also indicated that further UI savings leading to lower UI premiums would result from social security reform.

• (1710)

The 1994 budget also announced that growth in social security transfers to the provinces would be curtailed by ensuring that Canada assistance plan transfers and the post-secondary education component of established programs financing are no higher in 1996-97 than in 1993-94. Savings of at least \$1.5 billion will be realized from preventing the growth that would otherwise have occurred.

Adjournment Debate

The social security discussion paper confirmed these parameters and makes sure that the entitlements under EPF-PSE and under CAP will be no higher in 1996-97 than they were for each program in 1993-94.

Beyond 1996-97, EPF-PSE funding will be at best kept stable at the 1996-97 level and no increase in funding for CAP or its successors should be anticipated beyond 1996-97.

If any additional savings are required to help meet the government's fiscal targets they will be announced in the 1995 budget.

In the meantime the government is listening attentively to the views of Canadians and of the parliamentary committees that are now engaged in discussions about social programs and fiscal issues.

[*Translation*]

GLIDING SCHOOL

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, the eastern region gliding school at the Chicoutimi—Saint-Honoré airport in the Saguenay has been in operation since 1978.

Sixteen years of operation during which the school was assessed yearly by the authorities of the Royal Canadian Air Cadets and given full marks. Also sixteen years of operation at a location that is considered ideal. The Chicoutimi—Saint-Honoré airport is located in a truly outstanding site, in a rural area offering numerous advantages in terms of room to maneuver and safety.

In September, authorities in charge of the cadets asked for a feasibility study with a view to moving the gliding school from Chicoutimi—Saint-Honoré, in the Saguenay, to Saint-Jean.

Last Wednesday, socio-economic stakeholders in the region presented Major Dumontet and Lieutenant-Colonel Chartrand with an analysis of the Chicoutimi—Saint-Honoré site. Besides stating advantages of the Chicoutimi—Saint-Honoré site that were never disputed, the study emphasized major security problems at Saint-Jean. We have proof and aviation experts agree that our concerns are justified.

Nothing came out of the meeting with the people in charge of the cadets. Quite the contrary, the answers they gave us added to our concern. Therefore, because the decision appeared imminent, I asked the Minister of National Defence to impose a moratorium long enough to leave the Cadet headquarters sufficient time to address the concerns of the Chicoutimi—Saint-Honoré committee and, in particular, to make the best decision.

Since the survival of a school which has been operating in our area for 16 years and which has generated substantial economic spin-off is at stake, we repeat our request for the feasibility study to justify the move to Saint-Jean.