

Oral Questions

Some Hon. Members: Oh, oh!

Mr. Epp: Now you are changing your position.

Mr. Lalonde: I can understand, for instance, that the Hon. Leader of the Opposition has enjoyed an increase in salary of more than 6 per cent this year compared to what he had before he succeeded the Right Hon. Member for Yellowhead.

Some Hon. Members: Hear, hear!

Mr. Lalonde: No one has been walking around being scandalized that he made that huge increase in the last little while. For all I know he may have a decrease before the end of the year.

One does not go around making a big show saying it is terrible that the six and five program is not respected. Situations have changed.

If the Hon. Member looks at the total levels of remuneration and the total amount of money spent on salaries, obviously it will increase by more than 6 per cent in a number of Departments. It is related to either changes in functions or the increase in the number of public servants, or both. This is quite normal and it had been foreseen. The law passed by Parliament is quite clear—6 per cent and 5 per cent, maximum. As a matter of fact my hon. friend will find that a number of individuals in the Government received less than six and five.

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MEDICAL CARE**PRIME MINISTER'S COMMENTS ON INTRODUCTION OF USER FEES**

Mr. Maurice Foster (Algoma): Madam Speaker, my question is directed to the Prime Minister. Given the fact that the Minister of National Health and Welfare indicated that under existing legislation she has no choice but to withhold federal funds from Provinces that adopt user fees under the medicare program, I wonder if the Prime Minister would please clarify comments attributed to him in today's press which seem to contradict the position of the Minister of National Health and Welfare on this matter?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I will be happy to do that without referring to the entire interview from which the Canadian Press seized upon an excerpt. I would say in general terms that I believe I made it clear that the Minister of National Health and Welfare is on the right track; that she is negotiating with the Provinces; that we hope that the Provinces themselves will see that it is the will of the people to preserve medicare in its integrity and its entirety, and that there will be no need for the kind of confrontation by the people that in this case the interviewer suggested.

I am convinced that the people of Canada—and I made this quite clear in the interview—are on the side of the Minister of National Health and Welfare rather than on the side of the Premier of Alberta. In the interview I said that for ideological

reasons, certainly not for reasons of the poverty of that Province, he is introducing deterrent fees of one kind or another.

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CANADIAN NATIONAL RAILWAYS**NEGOTIATIONS WITH CAST SHIPPING GROUP**

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I have a question for the Minister of Transport with reference to press reports late last week which indicate that Canadian National and Cast had broken off negotiations for Canadian National's takeover of Cast. I wonder if the Minister could confirm whether this is true. Also, if talks have terminated could he confirm that this means that the Canadian taxpayer will not be asked to absorb 75 per cent of the Cast debt whereas the Royal Bank of Canada, which in fact is the principal creditor, would only have to absorb 25 per cent?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, there are two things to be considered. First, I have not been notified by CN of the ending of negotiations. Consequently I gather that they are still in negotiation in some form or other. Second, I read in the papers that the banks were trying very hard to save their investment, so I put the two things together and I say wait a little while longer.

Mr. Forrestall: Madam Speaker, the sooner we lay this bogeyman to rest one way or another, the better.

BARGAINING BY CAST GROUP

Mr. J. M. Forrestall (Dartmouth-Halifax East): Madam Speaker, I understand from what the Minister said that he has not been formally advised by either Canadian National Railways or the Royal Bank of Canada that negotiations ought to be terminated. If that is the case, may I put the second part of my question to the Minister? It is of primary concern, notwithstanding any dispute between the Port of Halifax and the Port of Montreal in a competitive way, or a freight war which could very well flow from this. May I ask the Minister whether one of two situations exist? Is Frank Narby, the principal of Cast, applying tighter bargaining that extends beyond the Order in Council which authorized CN to enter into negotiations or, on the other hand, does this now mean that the Canadian taxpayer will not have to pick up a little bit more of the debt of the Royal Bank of Canada?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I would allow my friend to put whatever interpretation he wants on the events that are taking place now. I leave that to his freedom of thought and of expression.

The Government put in an Order in Council the terms it would accept. Between the two of us, I think the difficulties were irking earlier than that in the sense that the present owners were making difficulties before the Government issued the Order in Council. By issuing an Order in Council, the