

[English]

SUPPLY AND SERVICES

AWARDING OF CONTRACTS IN ONTARIO

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my supplementary question is directed to the Deputy Prime Minister. Now I understand why the Manitoba Conservatives feel awkward about his speech this weekend. The Department of Supply and Services in 1985 and 1986 let out over half its contracts in the Province of Ontario. Is the Deputy Prime Minister satisfied that one province should receive over half the contracts from that Department? Can he tell us what special effort is being made so there will be more fairness in the future for smaller provinces?

[Translation]

Hon. Monique Vézina (Minister of Supply and Services): As my colleague as just pointed out Mr. Speaker, this Government has shown deep concern for regional development.

Hon. Members should keep in mind that purchases by the Department of Supply and Services went up by 105 per cent in the first quarter of this year, and that the purchasing program is cyclical, in the sense that some programs expire while others begin. We have amply demonstrated our intention to help the regions wherever they may be.

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INDUSTRY

DECISIONS OF GENERAL MOTORS AND ELECTROLUX— GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, in the absence of the Prime Minister, my question is directed to the Minister of Finance.

This morning, the newspapers reported some bad news for Quebec. The unemployment rate in Quebec has gone up to 10.8 per cent, Electrolux is going to close its doors and 372 jobs will be lost. General Motors has announced it is laying off 29,000 workers in North America, which may be bad news for the GM plant in Sainte-Thérèse.

My question for the Minister of Finance is as follows: What kind of action does the Government intend to take to persuade Electrolux to continue manufacturing appliances in Canada that are purchased by Canadians, and what does it intend to do to ensure that the plant in Sainte-Thérèse will remain open?

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, as far as Electrolux is concerned, of course we have been kept informed of the company's problems. In recent years, the company has suffered major losses. As a result, it will have to rationalize its entire operations. Actually, it has invested up to \$15 million since 1980.

Oral Questions

Mr. Speaker, we are doing everything we can, through exhaustive job severance programs and the like, to provide training programs for the workers who, unfortunately, will lose their jobs.

CONSEQUENCES FOR FREE TRADE NEGOTIATIONS WITH UNITED STATES

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I would like to get back to the Minister of Finance.

Could the Minister give the House and all Canadians the assurance that what is happening at Electrolux and General Motors is not related to our free trade negotiations with the United States? In other words, are large U.S. corporations getting ready to transfer their production to the United States and serve the Canadian market from their American plants, since free trade will open the door wide to this possibility?

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the Hon. Member is out of touch with reality.

An Hon. Member: It wouldn't be the first time.

Mr. Wilson (Etobicoke Centre): We have seen 610,000 jobs—

An Hon. Member: That's not reality.

Mr. Wilson (Etobicoke Centre): Yes, it is reality that 610,000 jobs have been created in Canada since September, 1984. The unemployment rate in the Province of Quebec is down 2 percentage points during this same period. Hundreds of thousands of jobs have been created. What is happening with industry in Canada is because of the uncertainty as to whether or not we are going ahead with the trade negotiations. Because of the ferment caused by questions such as the Hon. Member asks, Canadian companies are uncertain as to whether—

Some Hon. Members: Oh, oh!

Mr. Speaker: Order.

Mr. Wilson (Etobicoke Centre): That is why we have to get on with these negotiations.

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NATIONAL RESEARCH COUNCIL

TASK FORCE REVIEW OF PROGRAM CUTS

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, my question is addressed to the Minister of State for Science and Technology. In light of the Minister's announcement this morning that he is creating a task group to review the NRC program cuts, does he anticipate that some of these cuts may be over-ruled by the group or by the Government?