

*Adjournment Debate*

management of Government business as well as to reduce the deficit by reducing government spending. One of these measures was the reduction in the size of the Public Service by 15,000 person-years over the next five years, starting with some 5,000 person-years in 1986-87. Where possible, the reductions will be achieved through attrition. Through the application of the workforce adjustment policy, efforts are to be made by Public Service managers to minimize the impact of the reductions on employees whose jobs are to be eliminated.

Since the person-year reductions were announced last May, a great deal of planning has been done by Departments and by both the Treasury Board Secretariat and the Public Service Commission to minimize the impact of the reductions on Public Service employees. Based on data received from all Departments for the period through to March 31, 1987, the President of the Treasury Board announced on Friday, January 17, 1986, that of the 5,000 employees who will be directly affected by the elimination of their existing jobs, the Government is projecting that 3,200 will be redeployed to other jobs in their own Departments, 1,100 will be placed in jobs in other Departments with the assistance of the Public Service Commission, and a maximum of 700 could be faced with layoffs and be without jobs. Many of the 700 could be placed in other jobs if they were willing to move at Government expense or if they were willing to accept lower-paying jobs. Those who accept lower-paying jobs would have their salaries protected for one year under the workforce adjustment policy.

● (1810)

On the question of designations to which the Hon. Member also made a brief reference, Section 29 of the Public Service Staff Relations Act places the onus on the Treasury Board, as the employer and in the public interest, to propose for designation employees who cannot participate in a strike because their duties are necessary in the interest of the safety or security of the public. This same designation under the Act also allows the certified bargaining agent to object to the employer's proposals for designated employees and, where an objection is lodged, it is the Public Service Staff Relations Board that determines which employees are designated. Under the Public Service Staff Relations Act, a legal strike cannot occur until the matter of designated employees has been resolved.

TRADE—PROVINCIAL FRESH WATER RIGHTS. (B) GRAND CANAL COMPANY PROPOSAL

**Ms. Sheila Copps (Hamilton East):** Mr. Speaker, I rise to contest the answer or non-answer of another Minister. That particular non-answer relates to a question I put in the House some months ago in respect of the water diversion project which is being contemplated by the Government.

We have the Minister of the Environment (Mr. McMillan) stating that the federal Government does not endorse a policy of diverting water from James Bay through the Great Lakes for sale to the United States. The Minister of the Environment says no. However, through my own research I was able to determine that the National Research Council, through its

office in St. John's, Newfoundland, had given a \$30,000 grant to the Grand Canal Company Limited to begin a feasibility study into the project the federal Government claims it opposes.

On the one hand we have the Minister of the Environment saying that he is against it. On the other hand we have proponents within the NRC who are trying to promote the project. The third and most unsettling point, the one to which the Secretary of State for External Affairs (Mr. Clark) did not respond in the House of Commons, is that our chief negotiator in the free trade agreement, Simon Reisman, has made quite clear that he feels the sale of Canadian water to the United States is the ace in the hole and could be the most important issue facing the country over the next 100 years. He has quite clearly made his position known.

It is the fear of many Canadians that the Canadian Government, under the current free trade discussions with the United States, will use water as the lever to force the U.S. Government to accept some of the Canadian propositions. This is occurring at a time when the Minister of the Environment has stated that he is opposed to the particular project. On February 13, Energy Probe contacted the Minister expressing its very grave concerns on behalf of Canadians in respect of any Government funding for water diversion projects. It appears that the Government does not know what is going on in this dossier. When I originally directed my question to the Secretary of State for External Affairs, he said that that was absolutely not happening and that there had been no funding.

I have been able to establish that there has been funding. In an attempt to take attention away from the issue in Ottawa, it was a local grant through the NRC in St. John's, Newfoundland which permitted the project to go forward. The grant structure was applied for here in Ottawa. It was turned down by the Interdepartmental Committee on Water Quality which said: "No, we do not want to fund this project. In particular, we do not want to fund the Grand Canal Company to do a study on a project which has already been endorsed for the last two decades". As indicated in one press report, it is like asking the monkey to do a test on the peanuts. That is exactly what the NRC has done with this particular grant. It has told the Grand Canal Company to go ahead and study a project which has been the lifeblood of the company since the late 1950s.

● (1815)

Quite clearly we have two messages coming from this Government. The Secretary of State (Mr. Bouchard) appeared muddled and befuddled in the House of Commons when presented with the evidence. We need a clear-cut response, not only from the Secretary of State but also from those responsible for the National Research Council, as well as the Minister of Environment, that clearly and categorically the Canadian Government will in no way support through research funding or any other measures a water diversion project which could threaten the very delicate ecological balance which is currently facing the development of the far north.