GOVERNMENT POSITION

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, how has the Minister allowed this corporate plan of VIA Rail to proceed to this extent, to the end of the month when it is going to be revealed, without involving the people who are going to be unemployed, laid off, without involving the communities in small towr or rural Canada that are going to be so disastrously affected? Will he answer that question?

[Translation]

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, the Hon. Member is again assuming that a certain proposal will be made in a document submitted by VIA Rail. I think it only makes sense to wait until proposals are made in terms of the references we have given. Then, and only then, will we be able to criticize the choices that were made, but until those choices are made, I do not intend to refer, I repeat, to leak documents. This is certainly not the way to take a serious approach to the proposals that will be made by VIA Rail. That is quite clear!

[English]

THE BUDGET

POSITION OF PRIME MINISTER

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Prime Minister, and it concerns failed attempts by the Government to hide the second budget leak.

Some Hon. Members: Oh, oh!

Mr. Boudria: On May 31, 1989 the Prime Minister said, as reported at page 2374 of *Hansard* and in response to my question:

The suggestion that the Government took a decision to hide information from the people of Canada is, of course, an absolute and complete fabrication and falsehood.

Given the latest revelations that Mr. Stanley Hartt, the Prime Minister's Chief of Staff participated in a top level meeting of officials at which it was decided to hide information from Parliament and from the people of Canada, is the Prime Minister now ready to stand up in the House of Commons to tell us how it really happened?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as I indicated to the House, the statement made by the Hon. Member on that date was false and a fabrication, and the statement contained in *Maclean's* magazine this week is false and a fabrication.

Oral Questions

Mr. Boudria: It is interesting to note that everyone is false except the Prime Minister.

[Translation]

THE SECOND LEAK-PRIME MINISTER'S POSITION

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a supplementary. According to *Maclean's* magazine, Mr. Hartt, the Prime Minister's Chief of Staff, advised the Prime Minister to keep quiet and to hide the second Budget leak from the Canadian people.

Considering these facts, is the Prime Minister now prepared to inform the House why the decision was made to hide the second Budget leak? And who was party to this decision to hide the leak?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the suggestion was false in English and is equally false in French.

• (1440)

[English]

TRANSPORTATION

VIA RAIL SERVICES

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is directed to the Minister of Transport.

During the election campaign in 1988, there was a promise made through the Prime Minister's Office to enhance the quality and reliability of VIA services. In the Budget, not many months later, \$1.2 billion was cut from the level of subsidy going from the Government of Canada to VIA Rail. The Government was saying one thing before the election and did exactly the opposite after the election.

Will the Minister be so good as to tell the House what was the difference before and after the election, other than a desire of the Conservative Government to hoodwink the people of Canada just to get elected?

Hon. Benoît Bouchard (Minister of Transport): Mr. Speaker, my friend is referring to before the election. On April 27 the Minister of Finance tabled his Budget in which \$500 million less was given to VIA Rail.