

TRANSPORT

BRITISH COLUMBIA FERRIES—GOVERNMENT POSITION ON AID FOR OPERATIONAL COSTS

Mr. Ron Huntington (Capilano): Mr. Speaker, I have a question for the Minister of Transport. In light of the success the minister has had in implementing the user pay policy by suddenly withdrawing a \$4 million Northland subsidy—

Some hon. Members: Oh, oh!

Mr. Huntington:—thereby forcing the Province of British Columbia into a 50-50 participation in the cost-revenue shortfall for the movement of passengers, can the minister advise us whether he will participate in a 50-50 formula for the \$25 million shortfall which the B.C. ferry system has incurred in the movement of passengers?

Hon. Otto E. Lang (Minister of Transport): The moves which have been made in relation to the ferries in British Columbia are part of an overall policy in relation to ferries, one which reflects the view that the provinces are essentially responsible for the movement of passengers; where reasons for developing remote areas exist, the province and the federal government should work together in relation to the movement of freight to such areas. This is the policy which was applied in the case of the Northland service and, as the hon. member has noted, it may result in a total saving of approximately \$3 million. As I have said before to the people in the area concerned, this is not because of a desire to save money, although that is a good motive but, rather, because of our desire to use the money saved for better transportation in the area.

Mr. Huntington: I gather the answer to be negative as far as the British Columbia ferry system is concerned. Does the minister consider this negative response to be fair to the people of British Columbia in the light of the fact that his department is spending \$128 million on similar subsidies affecting the east coast?

Mr. Lang: There are two things to be noted. One is that the broad policy which we are following is designed to apply to all areas of Canada, and we are in negotiation with the various provinces to this end. Of course, when the hon. member refers to the sum he mentioned he should remember that a very substantial proportion applies to the guaranteed ferry service to Newfoundland, which was a constitutional commitment made at the time that province entered confederation. I take it he is not suggesting it should be treated like any other payment. As far as I am concerned it is a very important and, one might say, sacred commitment.

Oral Questions

THE CANADIAN ECONOMY

SUGGESTION IMPORT QUOTAS BE IMPOSED TO PROTECT SHOE INDUSTRY

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is addressed to the Minister of Finance. As industries in Canada attempt to restructure themselves to meet world competition—I have the shoe industry particularly in mind; thousands of workers have been laid off in recent months—is the minister considering the imposition of further import quotas or other means to protect a Canadian industry which is being savaged while it attempts to reorganize itself so as to retain a portion of the Canadian market?

Hon. Donald S. Macdonald (Minister of Finance): I can tell the hon. member that with respect to a number of industries the question of imposing import quotas has been placed before the cabinet. In the light of the overall position we are taking in the GATT negotiations, we feel it would not be desirable over the long run to maintain a general system of restrictive quotas. But in particular cases where there is a prospect of serious injury to a Canadian industry we would be prepared to consider them. When such a decision is taken, the House will, of course, be advised.

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INDUSTRY

SHOES—REQUEST FOR LEGISLATIVE CHANGES TO HELP COMPANIES COMPETE WITH IMPORTS

Mr. Sinclair Stevens (York-Simcoe): A supplementary question to the Minister of Industry, Trade and Commerce. Will the minister tell us whether he intends to propose amendments to the textile and clothing legislation so that the Act might cover shoe manufacturers as they have requested, bearing in mind that 14 shoe manufacturers have closed down in recent months and that the remainder are finding it extremely difficult to compete with foreign competition and feel they need the right to appear before the Textile and Clothing Board to present their case and, hopefully, retain 50 per cent of the Canadian market?

[Translation]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, my department is considering this matter and I take note of the hon. member's recommendation.

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[English]

FINANCE

SUGGESTION FUTURE TRADE AGREEMENTS BE MADE WITH COUNTRIES AND LARGE CORPORATIONS

Mr. Sinclair Stevens (York-Simcoe): A final supplementary, directed to the Minister of Finance. With respect to the GATT negotiations in Geneva, is the minister aware that the