

Government Orders

the ITC incentives for rapidly growing firms, one of the engines of job growth in this country.

The bill also assists resource companies by allowing 100 per cent of the first \$2 million of oil and gas development expenditures to flow through directly to shareholders and be deducted by them. As well, it gives these companies greater flexibility in managing their affairs by removing the mandatory deduction of Canadian exploration expenses.

• (1015)

Finally, the bill puts in place new, more flexible rules for investments in labour sponsored venture capital corporations.

We did not hold out the measures in the bill as any solution to the challenge of job creation, but we do recognize the attempt. Of equal importance we recognize the commitments made by Canadians who have relied on these proposed measures.

This bill should be viewed simply as a question of parliamentary housekeeping and therefore I urge members to support it.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, I welcome this opportunity to speak in the debate on third reading of Bill C-9. Previously, I had an opportunity to speak to this bill during the debate on second reading.

At the time, without in any way denying the benefits of certain measures contained in Bill C-9 as described by my hon. colleague, the Secretary of State for Finance, I warned the present government not to make the same mistakes as the previous government. These mistakes are, in a way, reflected in Bill C-9. Let me explain.

When we look at Bill C-9, we see that it contains measures which, although beneficial, indicate a lack of vision on the part of the previous government in dealing with a world that is becoming increasingly globalized. We often talk about globalization and opening borders, and we need measures to help our companies and workers adjust to these changes. These measures must provide a framework within which companies can be confident about developing their competitive potential.

During the debate on second reading of Bill C-9, I also warned the present Canadian government about the kind of measures it should take. The budget had not yet been tabled, and I asked the Liberal government not to make the same mistakes as the previous government, which had failed to take steps to bring public finances under control, and as you know, our public finances are a disaster.

So what has happened since the second reading of Bill C-9? First, the North American Free Trade Agreement was signed,

but the present government failed to put in place measures to promote Quebec and Canadian companies or help them adjust to this new agreement, which includes Mexico. Instead, a big show was made of signing and implementing this Free Trade Agreement. The Prime Minister and his Minister for International Trade played their part, just to say they had managed to reopen the North American Free Trade Agreement and introduce certain provisions on labour standards and protecting the environment.

Our analysis indicates there was nothing of the sort. There was no bilateral or trilateral agreement with our U.S. or Mexican neighbours, no measures that would ensure protection for our social standards, our labour standards, and so forth.

Despite all that, the Prime Minister and his Minister for International Trade bragged that they had obtained everything and that they were now quite ready, with appropriate measures, to face the challenge of the North American free trade.

Meanwhile, and I had raised the issue at the time, the world was signing the biggest international trade deal since 1947, the eighth GATT Agreement. Once again, while the Prime Minister and the Minister for International Trade were boasting, sticking out their chests and thinking they had made exceptional gains on the North American level, they were losing on all fronts on the international level. The fact that this government did not shoulder its responsibilities could be very costly to Quebecers in the next few years.

• (1020)

For example, there is the farming industry, where Canada, despite all it was saying, and in the middle of a debate on Bill C-9, lost clause XI.2c(i) of the GATT, which had made flourishing milk and agricultural industries possible.

The Liberal Party, when in opposition denounced the Conservatives for not having taken all the necessary measures to protect that clause. Well, the Liberals did exactly the same thing.

They bragged that they had obtained everything, even though one of the fundamental pillars of Canadian agriculture had been discarded by the GATT settlement.

We are not against the GATT settlement; quite the contrary. We are free-traders and we have always said so.

We are for improvement of trade on the international level. We are for economic growth linked precisely with our capacity to produce, to export and to capture international markets.

But it is almost indecent for the Liberal Party of Canada to tell us, Mr. Speaker, despite the fact that we are all intelligent people, that Canada won everything, at that time, and that