

tax rates and increasing child care benefits in the Income Tax Act.

If and when this bill receives second reading, I will move that it be referred to the Standing Senate Committee on Banking, Trade and Commerce.

Some Hon. Senators: Hear, hear!

[Translation]

Hon. Fernand Leblanc (Saurel): Honourable senators, I wish to direct a question to the sponsor of Bill C-117. Senator Flynn listed the industries and manufacturers which are likely to be affected by this bill. I am not sure whether the printing industry is included in the bill or whether it has been set aside for the time being, in view of the fact that it is already subject to a tax rate of 12 per cent.

Senator Flynn: Honourable senators, I do not know whether I can provide Senator Leblanc with this information. I suggest it will be possible to provide him with a satisfactory answer as soon as the committee deals with this bill. At any rate, I take his question as notice and I hope I can provide him with this answer as soon as this bill has received second reading.

Senator Leblanc: Thank you, honourable senator.

[English]

Hon. Henry D. Hicks: In his discourse Senator Flynn mentioned the increases in revenue that would result from the passage of this legislation, and, if I understood him correctly, he used a figure of \$12 billion over a period of five years.

Senator Flynn: Yes. I used the figure of \$1.5 billion in additional revenues. The figure of \$12 billion refers to the improvement in the income tax provisions under tax reform. So far as the additional moneys are concerned, the figure is \$1.5 billion yearly. According to the figures with which I have been furnished, the reductions that will flow from the tax reform measures will amount to \$12 billion in the next five years.

Senator Hicks: If revenue is increased by \$1.5 billion a year in five years, that will produce an extra \$7.5 billion. If the income tax taking is decreased by \$12 billion, I do not see how the government can have collected any money that will enable the deficit to be reduced.

Senator Flynn: That does not mean that there will not be increases in the revenues due to other factors and a change in the rate. I do not know how these figures were arrived at, but I doubt that they cannot be reconciled, because over the years changes may bring in additional revenues with the same rate of tax, or a decrease in expenses may result from further measures taken to reduce expenses.

Senator Hicks: I understand that. I suppose what I am really questioning is the validity of Senator Flynn's argument, in which he tied the increased taxes to a reduction in income tax and said that this legislation would have something to do with the reduction of the deficit. Of course, that would have to derive from increased revenues from all sources.

I now understand the point. I do not think there is any point in following it up.

On motion of Senator Buckwold, debate adjourned.

CANADIAN ENVIRONMENTAL PROTECTION BILL

SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Robertson, seconded by the Honourable Senator MacDonald (*Halifax*), for the second reading of the Bill C-74, An Act respecting the protection of the environment and of human life and health.—(*Honourable Senator Kenny*).

Hon. Colin Kenny: Honourable senators, I rise today to speak on the subject of Bill C-74, respecting the Canadian Environmental Protection Act, or CEPA, as it is more commonly known.

Bill C-74 replaces the Environmental Contaminants Act and broadens its scope. The bill also provides a means of identifying, scheduling and controlling toxic substances in order to safeguard the environment and human health.

In addition to amending the Environmental Contaminants Act, Bill C-74 consolidates the Clean Air Act, the Canada Water Act, Part III, the Ocean Dumping Control Act and the Department of the Environment Act, subsection 6(2). Inasmuch as all of the consolidation is "old news," the thrust and substantive consideration of this bill should be directed at new methods of scheduling and controlling toxic substances.

On balance, it would be fair to say that Bill C-74 is a useful, small step forward in dealing with toxic substances. The name of the bill, however, is misleading since it does not address questions like acid rain, old toxic landfills, the "blob" in the St. Clair River, or cleaning up the environment in a general sense.

What the bill does do is set in place a framework to regulate chemicals on the marketplace, but the approach it takes tends towards the lowest common denominator. Rather than having the federal government take a strong central role in environmental protection, the bill calls for negotiations that will result in patchwork protection by each of the provinces so long as they have equivalent regulations to the federal government, but, unfortunately, the bill does not define what "equivalent" is.

The bill is weak in dealing with federal polluters. It is unclear what form of consultation is required with the provinces. It limits the rights of citizens to apply for an injunction to prevent a violation under the act and it fails to set national standards for environmental protection.

Honourable senators, I would now like, briefly, to look at these points in order.

Dealing first with federal polluters, the provisions of clause 54(1) allow the minister to regulate federal works or undertakings if two conditions are met: one, providing that no other act of Parliament allows for the making of regulations expressly to