

*Oral Questions*

In the last budget we did not cut transfers to individuals who had those particular problems. However, Canada, like all industrialized countries, has faced a recession and has faced tough times in terms of jobs and so on.

As I believe we are now coming into a new reality, we will continue to improve on what we have done. Once again, as other countries have done, Canada must face reality.

Even though I have great respect for the UN report, I believe that it does not refer particularly to what has been done in Canada since 1991.

**Mr. Chris Axworthy (Saskatoon—Clark's Crossing):** Madam Speaker, it is not just the UN. The government's own advisory board has told the government that it is part of the problem and not part of the solution. Surely it is time the government listened to its own advisors.

The National Council of Welfare also said something we all know as well, that social assistance rates across Canada are far below the poverty line. I do not have to remind the minister that the Canada Assistance Plan Act requires social assistance rates to be adequate to ensure the basic requirements of food, shelter, clothing, fuel and so on.

Given the clear statement in the act, when will the government take the necessary steps to ensure that the basic needs of 2.8 million Canadians, men, women and children are met? When will the government act to reduce poverty rather than create poverty?

[*Translation*]

**Hon. Benoît Bouchard (Minister of National Health and Welfare):** Madam Speaker, I will repeat what I said earlier in English. The Government of Canada has introduced a number of measures to try and deal with the problem of poverty in this country, which has increased—I agree with the hon. member—while bearing in mind our current economic constraints.

As for the report by the National Council of Welfare, I think the hon. member should explain that the Council stresses a number of facts that relate directly to the responsibility of the provinces. It is not up to the federal government to do the provinces' job, although the federal government has continued to transfer increasing amounts for social assistance.

Last year, for instance, over \$7.3 billion was transferred, and these amounts are increasing steadily, but, I repeat, always in proportion to our current ability to meet these obligations, considering our budgetary constraints.

• (1430)

[*English*]

**Mr. Chris Axworthy (Saskatoon—Clark's Crossing):** Madam Speaker, I am glad the minister finally recognizes that poverty is on the increase in Canada. It is about time this government recognized that.

If I can relate a slightly different question. The minister will know about the controversy of poverty lines being generated by his colleague, the chair of the subcommittee on poverty. She wants to redefine poverty rather than do anything to fix it.

The National Council of Welfare has said: "It regards the Statistics Canada low income cut-offs as poverty lines". Will the minister take this opportunity to publicly indicate that he accepts the view of the National Council of Welfare and repudiates the view of the member for Don Valley North?

**Hon. Benoît Bouchard (Minister of National Health and Welfare):** Madam Speaker, first, if the member had been in the House he would know that many times I have said that poverty is a problem for this government. It is not the first time I have said that.

Second, I do not want to deal with a report which has not yet been tabled by the committee. When the report is received, we will deal with it.

In the meantime I believe that we have to do the best we can with regard to poverty in Canada. We have done and will continue to do that in regard to that capacity that we have to do something.

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## GOVERNMENT CONTRACTS

**Mr. Brian Tobin (Humber—St. Barbe—Baie Verte):** Madam Speaker, my question is for the Prime Minister.

On two occasions in the last week the government has denied any wrongdoing in the decision by the Minister of the Environment to provide \$200,000 in untendered contracts to Mr. David Small, the minister's current leadership campaign manager.