HOUSE OF COMMONS DEBATES

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HOUSE OF COMMONS

Tuesday, April 4, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to two petitions.

* * *

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, I have two petitions. The first one is on human rights. It bears 50 signatures and was forwarded to me by constituents of my riding of Cambridge.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or homosexuality.

BOVINE SOMATOTROPIN

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, the second petition concerns BST. It bears approximately 25 signatures and was forwarded to me by constituents of my riding of Cambridge.

The petitioners are concerned about drinking milk from cows injected with BST because BST is known to be a health hazard to both humans and cows. The petitioners call on Parliament to ban the use of BST and not accept dairy products from countries where BST is used to treat cattle.

OFFICIAL LANGUAGES

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present two petitions from constituents in my riding of Comox—Alberni.

The first petition contains 97 signatures. The petitioners request that Parliament enact legislation providing for a binding referendum to accept or reject two official languages, English and French, for the government and the people of Canada.

RIGHTS OF THE UNBORN

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, the second petition contains 209 signatures. The petitioners request that Parliament immediately extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to the unborn.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am answering question No. 143 today.

[*Text*]

Question No. 143—**Mr. White (North Vancouver):**

With respect to the unemployment insurance program, for the past five years, (*a*) how many cases of fraud were reported each year, (*b*) how many convictions for fraud were secured each year, and (*c*) how many frauds were there as a total of overall claims?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the response is as follows:

	1989/90	1990/91	1991/92	1992/93	1993/94
Number of penalties*	157,193	140,830	130,081	151,130	131,237
Number of prosecutions authorized	3,192	1,608	1,369	1,238	948
Penalties and prosecutions authorized	160,385	142,438	131,450	152,368	132,185
Number of convictions	3,591	1,717	1,017	739	718
Claims adjudicated (initial and renewal)	3,290,535	3,825,794	3,889,890	3,628,432	3,300,925
Penalties and prosecutions as percentage of initial and renewal	5%	4%	3%	4%	4%

* Penalties are an administrative remedy under the UI legislation but are considered as fraud.

[*English*]

Mr. Milliken: Mr. Speaker, I ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—AGRICULTURE

Mr. Jean–Guy Chrétien (Frontenac, BQ) moved:

That this House denounce the government for reducing the general budget of the Department of Agriculture by 19 per cent and milk subsidies by 30 per cent and for converting grain transportation subsidies into direct subsidies to Western farmers, thereby enabling the latter to diversify and enjoy an unfair competitive advantage over farmers in Eastern Canada.

He said: Mr. Speaker, I take great pleasure this morning, as agriculture and agri–food critic, to start the debate on this opposition day on agricultural issues because we in the Bloc Quebecois believe that these matters must get all the attention they deserve.

• (1010)

With the cuts it set in motion, the federal government recently gave the impression that the agricultural sector is of secondary importance.

I would like to thank my colleagues who agreed to speak today in the course of this opposition day on agriculture. They are the hon. members for Joliette, Champlain, Mégantic—Compton—Stanstead, Shefford, Matapédia—Matane, Kamouraska—Rivière–du–Loup, Lotbinière and Québec–Est.

You will note, Mr. Speaker, that, with the exception of the hon. member for Québec–Est, all of them represent ridings with a high percentage of farm producers and a wide variety of farm types. Therefore, should you take the time to listen carefully to all the speeches, you will be fully versed, by the end of the day, in Canadian agriculture and, especially, in Quebec agriculture.

Accordingly, with the motion we are putting before this House today, which you have just read, we are strongly criticizing the cuts the government is preparing to make on the backs of farmers. In addition to slashing in the agricultural sector, the federal government is wielding an axe there, completely indiscriminately.

I will take the liberty of reading word for word the motion tabled in the House today by the official opposition: "That this House denounce the government for reducing the general budget of the Department of Agriculture by 19 per cent and milk subsidies by 30 per cent"—this is a direct attack against the 12,000 dairy farmers of Quebec—"and for converting grain transportation subsidies into direct subsidies to Western farmers, thereby enabling the latter to diversify and enjoy an unfair competitive advantage over farmers in Eastern Canada"—and, of course, farmers in Quebec.

We denounce not only the cuts, but the Liberal government's lack of long term vision for this sector. I see the Minister of Agriculture across from me. I salute him and invite him to spend the entire day in the House to discover what Quebec MPs think of his recent budget and his vision for agriculture in Quebec and Canada. All he is succeeding in doing is throwing the market off balance with inappropriate compensatory measures.

It looks like a wind of concern is blowing through the Liberal camp. They are trying to target the agricultural sector by waving the spectre of the catastrophes that will befall us when Quebec achieves sovereignty. We will therefore take this opportunity to set the record straight.

Of all the spectres being waved by the federalists, milk quotas are, by far, the one most often hauled out of moth balls to frighten the farming community. Just recently the paper, *La Terre de chez nous*, and the daily, *La Presse*, described in length the disasters awaiting farmers in a sovereign Quebec, according to an agronomist.

• (1015)

Also in *La Presse*, a columnist said that sovereignty is dangerous because, if Quebec voted yes in the referendum, its supply management system would be dashed to pieces.

The Council for Canadian Unity has made milk quotas the cornerstone of its campaign of fear targeting the farming sector. It says that if Quebec separates, it would lose its milk quota for sales to Canada immediately—not tomorrow or the next day but immediately. That hits home harder and is scarier.

Seriously now, is that really the no side's strategy? The conclusion to be drawn from this line of argument from federalists is that they have no idea how the dairy industry in Canada and Quebec works.

What saying that sovereignty would be catastrophic for Quebec's dairy industry shows most of all is that federalists have found no other way of scaring our farmers. The biggest myth going around is that Quebec's industrial milk quota would be cut at least in half—that hits home even more—forcing many dairy farms in Quebec to close. We all know that Quebec producers have 48 per cent of the industrial milk quota while 25 per cent of Canada's population lives in Quebec. Now, several farmers from Quebec, who have gone to the trouble of coming here to listen to us today, are in the gallery facing me.

The Acting Speaker (Mr. Kilger): Order. Since it is an opposition day and the agriculture critic is leading off the debate, I would simply ask the House to maintain the spirit of debate that prevails at all times. Although there are no specific rules regarding the mention of the presence of certain people in the gallery, I would ask all hon. members from both sides of the House to co–operate during this debate on agriculture, a very important issue affecting all Canadians.

Mr. Chrétien (Frontenac): Mr. Speaker, I will comply with your instructions willingly and I would like to stress that I always send my salutations along with the Speaker's to the dignitaries who are acknowledged in the gallery behind me.

I was saying just before you intervened that the links between Quebec and Canada would be cut if Quebec voted yes in the referendum. Trade between Quebec and Canada—get a load of this, my friends across the way—is over $80 billion per year. This economic integration alone is justification for maintaining some kind of economic tie between Canada and Quebec or Quebec and Canada. Isolating the case of milk quotas to show that Quebec would lose its exports, and that the opposite would not take place, is pure bunk.

• (1020)

Quebec dairy farmers play a leadership role in the present supply management system. With about 48 per cent of industrial milk quotas, Quebec is the main supplier of dairy products for the whole of Canada. For example, did you know, hon. colleagues, that 40 per cent of Canadian cheese consumed by the rest of Canada come from Quebec? It is with this in mind that we must consider the future.

We will soon have to make a decision regarding the future of Quebec. I strongly believe that no matter what we decide, it is in the best interest of the rest of Canada, as well as of Quebec, to co–operate in order to preserve the dynamism of our agricultural sector. On Wednesday, March 29, we had very concrete proof that this co–operation goes way beyond the political level. This did not happen a century ago, this was last week. Dairy farmers in Quebec and Canada signed a memorandum of agreement integrating the marketing of industrial and consumer milk in six eastern provinces. I would like to name them: Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island. I would remind you that Newfoundland is not part of the supply management system.

An agreement was signed to create a common market between these six provinces. Under this agreement all farmers in these provinces will receive the same amount of money for their milk and will have a common quota. You have to understand that an unfair practise had existed for years. A farmer who had an industrial milk quota sold his milk for up to 10 per cent less than what he could have gotten for consumer milk. If two identical cows had been branded, one for consumer milk and the other one for industrial milk, the farmer would have gotten less for the production of the latter.

In less than 18 months, this inequity will have disappeared. We had this distortion, and it was not in Central America or in Central Africa, but here in Quebec. We had two different prices for the same milk, depending on whether it was to be processed or consumed as such. The six provinces now party to this agreement account for 85 per cent of the Canadian industrial milk quota. This integration will allow them to put in place a single system of milk marketing. In the medium term we can even see the total elimination of interprovincial barriers to milk supply.

The lesson to be drawn from this agreement is that even in a referendum year dairy farmers in Canada demonstrated that they are willing to integrate economically with Quebec. Why should they take the risk of signing this kind of agreement at the present time? Surely because they know that following a yes vote in the referendum, Canada will keep its economic union with Quebec in order to protect its own interests.

• (1025)

This proves that economic reality is stronger than emotional considerations.

Federalists raise another important issue, namely what will happen to customs tariffs with the U.S.? When renegotiating NAFTA, the U.S. will probably try to get a better deal than they already have, which will not be any different from what is happening right now. Just as Canada does at the present time, Quebec will answer that tariffs are protected by GATT, which is what the agriculture minister tells us every time we ask a question in this House regarding the sugar negotiations, wheat exports, and the tariff issues raised by the U.S. the day after New Year. This very minister invariably answers that GATT agreements take precedence over NAFTA. If this is true in his case, it should also be true for Quebec.

The real threat against the dairy industry and Quebec agriculture does not come from Quebec's possible sovereignty, but from the federal government opposite which is increasingly neglecting Quebec agriculture, and especially the dairy industry. It comes from a total lack of planning on the part of the government opposite and, above all, from the lack of fairness of the budget measures proposed by the Liberal government.

February 28 was a sad day for dairy producers in Quebec and Ontario. On that day, the finance minister announced, in his

budget, a 30 per cent reduction over two years of the federal subsidy for industrial milk. Since Quebec farmers alone produce 48 per cent of the industrial milk quota, it is obvious that they are the ones who are the most unfairly affected.

Mr. Speaker, I do not want to use props, but there is in Ontario a farming magazine called *Farm and Country*. It is the equivalent of Quebec's *La Terre de chez nous*. Every farmer at least flips through it from cover to cover, if they do not actually read all of it. This week, there is a cartoon on the front page, showing a beautiful Holstein cow and, sitting on a small stool, a farmer who bears a striking likeness to our finance minister. He is milking the cow. His pail is empty. The teat is full of scars. When he squeezes it, all he gets is one lonely drop of milk. This is the kind of future this government is shaping for dairy producers.

Also, last week, Mr. Laurent Pellerin, president of UPA and a great advocate of Quebec farmers, whom I salute today in this House, estimated that the 30 per cent reduction in industrial milk subsidies will cost producers $4,485 over two years. If you allow me, I will take a few seconds to explain how he reached this figure. I would like the agriculture minister to listen very carefully because there is something I want to point out.

• (1030)

Dairy farmers will not receive any financial compensation for these cuts, unlike western wheat and grain producers, who will receive $1.6 billion in non–taxable funds, which is the equivalent of $2.2 billion. But there is absolutely nothing for Quebec and Ontario.

A farmer who produces 2,500 hectolitres of milk per year and who buys 71 tonnes of mash every year to feed his cows will be hurt because, as you know, the feed grain transportation subsidies have also been cut in the East. The Maritimes will be hit hard. The subsidy on 2,500 hectolitres has been cut by $5.43 per hectolitre times 2,500, or $5.43 less 30 per cent or $1.51.

Dairy farmers face cuts of 15 per cent this year and 15 per cent next year for a total of 30 per cent for every hectolitre produced. Next year, they will lose $1.51 per hectolitre. A farmer producing 2,500 hectolitres per year faces a $3,775 cut.

To this must be added the cuts to the feed grain transportation subsidies. The resulting increase for farmers is estimated at $10 per tonne. Farmers will be asked to do their share to correct the past mistakes of successive federal governments that accumulated huge deficits. A farmer buying 71 tonnes at $10 per tonne would add $710 to the $3,775 cut and end up with a $4,485 contribution to deficit reduction.

As you know full well, what will happen in August is that dairy producers will ask the Canadian Dairy Commission to increase milk prices, and I hope that their request will be granted. Dairy producers are not stupid. They do not have to suffer such a major drop in income. The Canadian Dairy Commission will allow them to raise their prices, I hope, to compensate for cost of living increases and the losses incurred.

As a result, consumers will pay much more for powdered milk, butter, cheese, yogurt and ice cream. This is called hidden taxes. *Farm and Country*, the Ontario magazine I referred to earlier, estimates that every dairy farmer contributes $56 per cow to deficit reduction.

Surprisingly enough, not a single Liberal member rose in this House to denounce the 328,000 flights. As we read in the newspaper last week, these trips cost nearly $1 billion in travel expenses. I have the newspaper article in front of me: the 328,000 flights taken between April 1993 and March 1994 cost taxpayers $275 million so that Canadian Forces members and senior officials, in particular officials at the Department of Transport, could travel.

In closing, I urge dairy farmers in Ontario and Quebec to look out for the ordeal that this government will inflict on them in the next 24 months.

• (1035)

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I am very glad to have the opportunity to participate in this discussion about the 1995 federal budget, particularly the impact of that budget upon agriculture and agri–food.

It goes without saying that I profoundly disagree with the conclusions that have been drawn so far in this debate by the member for Frontenac. I would suggest that his analysis is incomplete, entirely negative in its focus and, with the greatest respect, his analysis is wrong.

To support what are clearly his separatist objectives he seeks to sow the seeds of division in a narrow and partisan manner. He seeks to pit region against region, province against province and farmers against farmers. It is indeed sad to see this rather destructive approach, but coming from the Bloc Quebecois it is no surprise. Their objective is not to build this country up; their objective is to tear this country down. So I am not surprised by the motion today from the BQ.

What is perhaps surprising is the similarity in approach that is taken by the BQ and the NDP. Two weeks ago the NDP and the Bloc Quebecois joined together in a rather bizarre alliance in this House to block speedy passage of vital government legislation to restore services in the Canadian railway system. Until they recanted and belatedly changed their position, the NDP lent aid and comfort to the Bloc Quebecois in inflicting totally unnecessary damage upon the entire Canadian economy, particularly upon agriculture.

The work stoppage in the rail system could have been ended and full service could have been restored within perhaps no more than 48 hours. However, the Bloc made that impossible

and the NDP helped them in doing damage to Canada. The rail dispute lingered on for more than a week and the cost of that delay was very expensive.

In the Canadian grains industry alone, that one lost week represented a loss of revenue from grain sales in the order of $100 million, plus the delay caused by the Bloc Quebecois and the NDP damaged Canada's international reputation as a reliable agriculture and agri–food supplier to world markets. It is truly impossible to fathom why the NDP would give credibility to the Bloc by supporting the BQ in stalling the legislation to bring the work stoppage in the rail system to an end.

But the rail dispute is not the only example of a similarity between the NDP and the BQ. They also have similar approaches when it comes to an analysis of the federal budget, which is the subject of the motion today. Both of these parties, devoid of any national vision, without a serious commitment to Canada as a whole, resort to the small and petty politics of fostering regional divisions. Each of them in their own way try to make the case—the erroneous case—that their region has been unfairly treated and some other region has been given some unwarranted advantage.

The BQ claim unfairness toward Quebec and they attack western Canada. The NDP claim unfairness toward the west and they attack Quebec. Both of them are absolutely dead wrong.

The 1995 federal budget has in fact been very well received across this country, and significantly in all parts of this country, for three reasons. First, it launched a genuine and concerted attack against the horrendous problem of government debt and deficits. This budget is for real. It is not smoke and mirrors. It sets the government on a true and definitive course toward achieving our deficit reduction targets as promised in our 1993 red book platform. What we are doing in this budget is what we committed ourselves to do in the last election. We are bringing the annual deficit down below 3 per cent of gross domestic product over three fiscal years.

• (1040)

Consider the problem of debt that we inherited when we came to office in November 1993. The annual deficit at that time was running in excess of $40 billion a year. That was about 6 per cent of the country's gross domestic product. Think of this. The agriculture and agri–food sector of the Canadian economy, all included, amounts to about 8 per cent of our GDP. So the deficit, at about 6 per cent of GDP, was eroding three–quarters of the economic value of the entire agriculture and agri–food sector.

The total accumulated federal debt was running, when we came to office, at something in excess of $500 billion. Interest costs were approaching $45 billion or perhaps even $50 billion a year. That works out to $850 million every week, or $120 million every day just to pay the interest. In fact, if we were to add together all the net incomes of every single farmer in Canada for the next ten years, we would barely have enough money to pay the interest on the national debt for one year. That indicates the magnitude of the problem. The problem is huge, it is urgent, and in that last budget it demanded swift and decisive action.

We have acted. We have met and exceeded our deficit reduction requirements for 1993–94. We have met and exceeded our deficit reduction targets for 1994–95. We will continue to meet our objectives with respect to the deficit in 1995–96 and in 1996–97. We will bring the deficit down below 3 per cent of gross domestic product within three fiscal years, as we promised to do. Beginning in 1996, for the first time in a long time, Canada's debt—not just our deficit but our overall debt–to–GDP ratio—will also begin to come down.

Yes, the budget is strong medicine. Yes, it is tough. However, Canadians have supported it because they know it is necessary to deal with the horrific debt and deficit problem that this government inherited.

The second reason the budget has broad and general support is that it is fair and balanced. It tries very hard not to single out sectors or regions. The toughness in the budget is evenly distributed everywhere.

There are two kinds of measures in the budget to deal with the deficit. On the one hand we have reduced the overall level of government spending; on the other hand we have increased the level of government revenues. For every dollar raised in new revenues there are nearly $7 in spending reductions. That, of course, is consistent with what Canadians told us to do: focus on reducing spending.

When we add together the combined impact of all the budget measures, the spending cuts plus the revenue increases, and then analyse how that impact is distributed across the country, we find that in every region of Canada the budget's impact is closely in line with each region's share of the total population of Canada and each region's share of total federal government spending. The variations from region to region are only a few small percentage points, so there is a fair and balanced distribution of the burden.

With respect to agriculture, my department has not been singled out for any extra burden. In 1994–95 our budget was $2.1 billion. Over the next three years we will reduce that budget amount by $405 million, bringing it down at the end of the three–year period from $2.1 billion where it is today to $1.7 billion. That amounts to a cut of 19 per cent, and 19 per cent is exactly the average of all departmental spending reductions across the entire government. Most of the economic portfolios of government are reduced by an amount greater than 19 per cent. Most of the social portfolios of the government are reduced by an amount less than 19 per cent. Overall the full government average is 19 per cent. That is the reduction in the

Department of Agriculture and Agri–Food exactly on average. We have done our share in the crucial fight against the deficit, no more and no less.

• (1045)

There are some who argue that when transportation budget reductions affecting agriculture are added on top of the direct reductions in agriculture the percentage of all related spending cuts goes up above the 19 per cent average. This figuring is misleading. It ignores the transitional programming put in place by the budget to offset the impact of the transportation changes. When those transitional measures are added back into the equation over the next three years, as they must be to make a fair comparison, the impact on agriculture is on the average of that level of 19 per cent. Overall the balance is fair.

Within agriculture we have tried very hard to achieve internal balance as well. For example, in dealing with personnel costs we will be reducing our public service employee count by just over 2,000 positions. That is a reduction of 18 per cent, very close to the overall departmental spending reduction of 19 per cent.

The same can be said about our approach to different departmental spending programs. Take our income support programs for example. There are two major programs of that type within Agriculture and Agri–Food Canada. One is the dairy subsidy which is significant primarily in eastern Canada. The other is our farm safety net system which is significant primarily in western Canada. Both are being reduced by the same amount of 30 per cent. Again, there is fairness and balance, east and west, farm sector by farm sector and for agriculture overall in comparison to every other aspect of the economy.

This is the second major reason the budget has won general approval among the large majority of Canadians; that characteristic of fairness.

The third reason for budget support is we have coupled the hard reality of fewer government dollars everywhere for everything with a proactive agenda for renewal, restructuring and innovation to smooth the process of transition from the old economy to the new economy and to better position a sector like agriculture and agri–food to do better in every available marketplace in the world.

What I have heard so many times from farmers all over the country, whether in the east or the west, is they really do not want subsidies. What they want are fair market opportunities and decent prices from those markets from which to earn their living.

For this reason we are increasing our emphasis on market development and trade. Within our overall smaller budget a greater proportion than ever before will be directed toward gaining and keeping new and expanding markets. Similarly, with respect to research, the cutting edge of innovation to keep Canada ahead of the rest of the world, we have found a creative way to save precious tax dollars while increasing the overall Canadian investment in agricultural research and development.

We will achieve about $50 million in savings on research overhead and infrastructure over the course of the next three years or so. At the same time up to $70 million in both public and private funding will be injected into research through joint ventures with our private sector partners. We are doing this through a new initiative called the matching investment initiative for research in agriculture. It is a program that thus far, even though it is very new, has been received very well by the agricultural sector.

We will maintain Canada's renowned reputation for the best agricultural inspection system in the world but we will also save money. We will do that through a combination of cost reduction, cost avoidance and cost sharing together with the introduction of brand new technology and the elimination of unnecessary overlap and duplication among government departments and between different levels of government.

• (1050)

I am pleased to say that all my provincial counterparts are working very hard with me in the development of a national Canadian food inspection system to be top calibre, the best in the world and highly cost efficient.

We have also recycled some of our budgetary savings into a series of adaptation and rural development funds to assist in some of the necessary sectoral changes that must be made in the wake of the budget and to take advantage of future economic opportunities.

We have such a fund to help deal with the changes to be made in the feed freight assistance program. The Secretary of State for Agriculture and Agri–Food is now leading a consultation process to define the parameters for how that fund can best be used in those feed deficient regions of the country which have heretofore benefited from the feed freight assistance program.

As another example, within our overall spending envelope for farm safety nets there is scope for a series of innovation and adaptation funds to be established depending on the priorities and preferences of different agricultural sectors and the provinces.

This notion of an innovation or adaptation fund has been offered as old safety net schemes like the national tripartite stabilization program are phased out and as new safety net plans are developed, as is now the case in Saskatchewan.

In this direction with respect to the dairy program, apart from the subsidy reductions in parallel with safety net reductions elsewhere, we offered in the budget to undertake consultations with the Canadian dairy industry to develop the very best possible uses in future for the remaining subsidy moneys to enhance the industry's competitiveness. I know a lot of thought

is now being given to this suggestion by the dairy industry representatives in the country, including those in Quebec.

Another example of adaptation and innovation is with respect to a series of subsidy programs previously known as the Atlantic and maritime freight rate subsidy measures which will be discontinued as a result of the budget, but there will be transitional measures put in place with respect to those programs as well. That is under the purview of my colleague, the Minister of Transport.

In addition to all these issue specific funding initiatives, we have provided for a general $60 million per year adaptation and rural development fund for Canadian agriculture over all. It will be used to enhance access to pools of developmental capital, to enhance human resources in rural Canada, to enhance farm safety, to enhance rural innovation and infrastructure and to offset some of the regional implications of transportation reform.

Let me deal briefly with that aspect of the opposition motion today which refers to western grain transportation reform. Here as well there is a program being put in place to ease the transition away from 98 years of subsidization. These transition measures are temporary, as all adjustment measures are. However, they are also specifically within the parameters of acceptability as defined by the Quebec coalition on western grain transportation. It is interesting that the member from Frontenac earlier today failed to observe that fact which indicates consistency across the country on the basis of certain principles.

The benefit from transportation reform for western Canada comes not from any form of ongoing subsidization because the subsidy will be ended. The western benefit comes from a new freight rate regime that eliminates discrimination in its structure against higher valued production, value added processing, diversification and economic growth.

The prime difference between our approach in the government and that of Bloc members is that, as we have heard today so far in the debate, they have a tendency to cling to the past. They seem to be rather intimidated by the future. I do not think, from what I have seen in my many encounters over the last 17 months as minister of agriculture, that intimidated point of view is representative of Quebecers.

• (1055)

I have just returned from a sales mission, a trade mission with Canadian agriculture and agri–food representatives throughout South America. We visited Chile, Argentina and Brazil. Included in my delegation of private sector representatives was a broad cross section of agricultural representatives from Quebec. They were among the most outgoing, the most vigorous, the most aggressive in looking for new opportunities and broadening horizons, pursuing the future with great optimism and vigour. They did not seem to have this kind of negativism reflected in the remarks delivered today by the Bloc Quebecois.

For example, they were talking about the opportunities for the pork industry. They were not worried about any kind of transportation reform in western Canada. They were not worried about one region winning at the expense of another or one region losing because of something happening in another region of the country. What they were looking at together with their Canadian colleagues from across the country was broadening horizons, more markets, more trade opportunities, all of us selling more and doing better in the markets of the world rather than worrying about one group gaining at the expense of another.

If we have that kind of negative, inward looking defeatist attitude, we will probably end up being defeated. The secret for Canada's future is to broaden our horizons, to look outward, to take on the world with the confidence that we as Canadians have in agriculture and agri–food the very best products in the world to sell.

We have the most productive and efficient farmers in the world producing those products. We have a vital and vibrant processing sector. We have the capacity to excel in international trade and marketing and we do not have to worry about one market getting smaller because another is getting bigger. We must expand markets everywhere. We will all do much better in that new trading environment of the future.

That is the optimism we need to have. With that kind of attitude Canadians, all of us, within Quebec and outside, can take on the world and we will win.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I want to thank heartily the Minister of Agriculture for making the time in his heavy schedule to participate in this debate on agriculture today.

On the other hand, I would like to remind the Minister of Agriculture that there is a new dynamics in Quebec, in Canada and in this House in particular. I can remember in the years 1968 to 1970 and up to the 1984 federal elections, Quebec was represented in this House by 74 Liberal members and one Conservative, in the person of my friend Roch LaSalle. There was nobody to denounce inequities. That hurt the Minister of Agriculture.

Mr. Speaker, is it an attempt to set the West against the East? Is it an attempt to set the Maritimes against Quebec when we, Bloc members, elected representatives of Quebec, rise in this House to say, for instance, that Quebec's share of the $3 billion budget for agriculture in 1993 was $372 million, or 12.4 per

cent. That is not even one eighth of the agriculture department's budget. Yet, taxes paid by Quebecers account for 23 per cent of the budget as a whole.

By denouncing inequities, are we trying to pit the West against Quebec? In the old days, the 74 Liberal members did not rise in this House to do so.

I am doing my duty today by stating loud and clear that $300 million of federal agriculture expenditures went to Quebec in 1980, as compared to $1 billion to Western provinces, and $410 million as compared to more than $4 billion in 1987.

• (1100)

There are about 18 Liberal members from Quebec at present. When will the new member for Brome—Missisquoi for example rise in this House to defend the interests of the Brome—Missisquoi farm producers? Never. Is it an attempt to set the Maritimes against Quebec to state in this House that, from 1980 to 1987, federal expenditures on agriculture have grown six times slower in Quebec than in the rest of Canada?

The list of inequities goes on and on. I would like the Minister of Agriculture to give Quebec farm producers the same treatment given farm producers from his region, Western Canada.

[*English*]

Mr. Goodale: Mr. Speaker, I am very pleased to have the opportunity to respond to that question because it indicates a certain misunderstanding of the nature of agriculture in this country.

In western Canada the agricultural sector is dominated by export industries such as grain and beef. Those export industries have to compete of course in the marketplaces of the world. The expenditure levels referred to in the question were levels that were triggered by international trading distortions.

For example, the introduction by the United States of its export enhancement program caused the price of grain in the world to collapse and the obvious necessity for a government reaction within Canada. When those trade distortions occurred internationally, the level of government expenditure in Canada with respect to the grains industry went up accordingly to try to offset those international implications.

In eastern Canada, agriculture is somewhat more diversified. It tends to be dominated by domestic industries that have the advantage of a Canadian supply management system. As a result of that Canadian supply management system, those agricultural sectors in eastern Canada tend to be sheltered against international circumstances. They do not have to face the difficulty which has been faced in western Canada of those distortions in international trade. It is a bit of a mug's game to compare the numbers because two systems which are not directly comparable are being compared and the numbers at the bottom line get to be a bit misleading.

The hon. gentleman may want to draw comparisons of the values provided by the Government of Canada to western Canadian agriculture compared with the values provided to agriculture in eastern Canada and make that east–west comparison. To do that he has to take into account the regulatory benefit provided to central Canadian and eastern Canadian agriculture by means of our supply management system which has in fact been worth billions to the agricultural sector in eastern Canada.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, at the outset I would like to say to the hon. minister that I have paid particular attention to his remarks today and I found them quite interesting. I agree with some of his statements, in particular the assessment of what took place during the debate on the rail dispute and how members of the NDP and the Bloc certainly acted against the best interests of all Canadians, including the interests of Quebecers which the Bloc purports to represent.

I too found it very disparaging that the NDP, the bulk of whose caucus comes from the province of Saskatchewan would act as it did. It certainly, in my mind, was not representing the best interests of producers and constituents.

I agree with some of the statements in the minister's remarks today. I would make a few further comments about his assessment of Canada's debt and the need to address it through spending cuts. That is certainly an area where Reform has taken the lead since the formation of our party in 1987. In fact it was a real driving force in getting our party started and attracting people to the Reform message and the Reform cause.

• (1105)

We agree that cuts have to be made. We are not opposed to that and in fact our cuts would go much deeper. We have already outlined in great detail where we would make the cuts, not only in the department of agriculture and the area of farm subsidies, but also in all levels of government spending.

Another point has to be made in light of the minister's comments. I find it more than ironic that this Liberal government has suddenly discovered the advantages of having a free and open system of trade and trying to capture foreign markets. This is the same party which was opposed to the free trade agreement. It spoke vehemently against free trade when Reform was very supportive of the whole concept of a free trade agreement not only with the United States but also an expanded

one which would include other countries and the benefits which would flow to the Canadian economy because of that.

I find it ironic that the Liberals have such short memories not only with regard to free trade and the benefits of trade in particular for the agriculture sector but also for all the other sectors of our economy. They seem to conveniently forget that it was the Liberal Party that started us down this road of deficit spending. I can recall quite clearly in 1984 when the Conservatives were sent here with a massive mandate. They continually said that they inherited the problem. Now we hear the same thing from the Liberals.

My question for the minister concerns something I hear raised by grain producers in my area. I myself—

The Acting Speaker (Mr. Kilger): Order. The time is so short and if we want to entertain a response from the minister, whom I will have to ask to be brief, I would ask for the question.

Mr. Hill (Prince George—Peace River): Mr. Speaker, I was just getting to the question.

A concern I hear raised constantly about the payout of the WGTA is that it is the understanding of the producers that it is to be targeted to land owners. In the area I am pleased to represent a big percentage of our land, not the majority, but a big percentage of our land is owned by foreign owners. I would ask the minister through you, Mr. Speaker—

The Acting Speaker (Mr. Kilger): Order. I would ask the minister's co–operation for a brief response.

Mr. Goodale: Mr. Speaker, I understand that time is short and in order to deal with this issue might take more time than is available right now.

The budget indicated that in order to obtain the advantage of a capital gains tax treatment as well as for other reasons that the $1.6 billion payment would be directed toward farmland owners. We also indicated a flexibility in wanting to hear from farmers and farm organizations about their preferences on that subject matter.

The consultations with farmers and farm organizations have been ongoing for the last two or three weeks. I expect to conclude them probably this week. I hope to be in a position to provide definitive direction on that question after the end of this week.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am pleased to rise today to respond to the Bloc motion on the fairness of cuts in agriculture.

I will do this by first outlining the cuts in agriculture spending and making some general comments on the cuts. Second, I will ask some questions of the minister regarding the WGTA and the payout under the WGTA and other questions on efficiencies in the rail system and so on. Third, I will talk about the cuts to supply management and how they compare to cuts in other areas of agriculture. Finally, I will discuss some of the general shortcomings in the budget that impact on every Canadian and will impact heavily on farmers if more action is not taken by this government to get to a balanced budget within a definite targeted time frame.

The Bloc motion reads:

> That this House denounce the government for reducing the general budget of the department of agriculture by 19 percent and milk subsidies by 30 per cent and for converting grain transportation subsidies into direct subsidies to western farmers, thereby enabling the latter to diversify and enjoy an unfair competitive advantage over farmers in eastern Canada.

• (1110)

This motion demonstrates that members of the Bloc are not evaluating this budget fairly particularly in regard to agriculture. I will outline the cuts in agriculture and then speak about some of the comparisons.

The budget clearly demonstrates that farmers have been asked to share an unfair amount of the burden of the cuts that were made by the Liberal government. I am not saying that the cuts should have been distributed evenly in terms of percentages in the different sectors of spending. I am saying that any way the cuts in agriculture are evaluated, they are unfair when compared to cuts in other areas of federal spending and they are unfair when compared to cuts in the agriculture department itself. I will demonstrate that by going through some of the numbers.

The overall cuts in the agriculture department spending amount to roughly 20 per cent over the next three years. The total funds available for 1994–95 were approximately $2.1 billion. A 20 per cent cut means that under the Liberal budget $445 million will be cut from the agriculture department.

Just to summarize the cuts, there will be an approximate cut of 30 per cent in safety net funding. Safety net funding is spread right across Canada. The safety net money provided by the federal government is spent in western Canada, central Canada and the maritimes. There will be an increase in the amount of user pay fees which will be spread right across Canada.

The subsidy for dairy farmers of about $217 million a year will be cut by 15 per cent over two years, which is a cut of approximately 30 per cent. It will be cut to about $160 million after the third year. Research has been cut substantially by the budget. Of course, research spending in agriculture is spread across the country.

Another major area of spending was cut by the budget which is not in the agriculture department but is a spending cut to farmers and agriculture. That is the end of the $560 million a year Crow benefit. That is the largest single cut made to agriculture in this budget. Along with that there was about a $99 million cut to the Atlantic Feed Freight Assistance Act and the

Maritime Freight Rates Act. Those cuts were originally scheduled to end on July 1, 1995 but have been extended.

Looking at the summary of agriculture cuts we see about $660 million in cuts to agriculture coming from the transport department through the cuts in the WGTA benefit, the old Crow benefit, the Atlantic Feed Freight Assistance Act and the Maritime Freight Rates Act. In addition there will be $445 million in spending cuts in the agriculture department. That makes a total of $1.1 billion which will be cut from agriculture by the budget.

I listened to the agriculture minister explain earlier that the cuts in agriculture have been in line with cuts in other sectors of federal spending. That is absolutely untrue. In fact, the cuts have been weighed very heavily to agriculture. My concern is that if similar cuts had been made to other sectors of federal spending, a balanced budget would have been presented in February. We would have had along with that all the benefits that come with a definite target for arriving at a balanced budget.

• (1115)

When the cuts for agriculture and transport are put together it comes to about a 40 per cent cut in total agricultural spending. That is totally disproportionate when compared to other sectors of federal agricultural spending. It is almost a 50 per cent cut in direct payments to farmers.

How did the cuts to farmers, as outlined in the budget, compare to the cuts in the agriculture department itself? This is a valid point that the Bloc member has brought up today. He points out that farmers have been cut by almost 50 per cent when direct payments and payments on behalf of the farmers to the railways, through the WGTA and the feed freight assistance and so on are taken into consideration. When those payments are put together it works out to a 50 per cent cut to farmers compared to about a 20 per cent cut in the department itself.

Farmers in my constituency and farmers across Canada say that is not right. Farmers are generally saying they know they have to accept the cuts that were made because of the mess the finances of the country are in. They accept their share of the responsibility but they do not accept the fact that these cuts have not been balanced between spending for farmers and spending in the department. A 20 per cent cut in the department compared to about a 50 per cent cut in payments to farmers is not balanced.

I am not saying that these cuts should not have been made. Rather I am saying there should have been a better balance between cuts to farmers, cuts within the department and a better balance across the country.

The motion of the Bloc states that cuts have been unfair and that some of the compensation packages given have been unfairly weighed in favour of western Canada. I am going to talk a bit about that and explain that the cuts have been unfairly harsh to western Canada. I am not getting into a struggle between western Canada and central Canada. I am just explaining what has happened in the budget. A little bit later I am going to talk about some of the real difficulties that the supply managed industry faces. They have very tough times ahead of them. I have concerns for farmers in the supply managed sectors but I will deal with that later.

One of my biggest concerns about the way the cuts were made is that the transition time farmers needed was not provided, particularly in regard to the Western Grain Transportation Act subsidy, the Crow benefit. For example, for farmers who rent or lease land the subsidy is cut off overnight. They will not have the approximately $15 a tonne freight rate benefit paid to the railways on their behalf as of this year's crop seeding.

Over the next two months, those farmers who will be seeding their land will be asked to shoulder anywhere up to $35 an acre in additional costs. The $35 an acre is an extremely high figure. Normally the extra cost will be about $15 an acre. That is an awful lot to ask farmers to shoulder with no transition time and no compensation package. For farmers who lease or rent land there is no compensation package in the budget.

The compensation package that has been presented is available only to land owners, except for farmers who rent or lease land from the Farm Credit Corporation. Those payments will be passed on to them. However, generally speaking, land owners have additional costs to shoulder immediately and no compensation.

I would like to ask the members of the Bloc if this sounds like an unfair situation weighed in favour of western Canada? Some of my other concerns were not so much with the way the cuts were made but with some of the things that were not done to allow the system to become more efficient.

• (1120)

A limited amount of branch line abandonment will be allowed. We are very uncertain exactly which branch lines will be abandoned.

The agriculture and transport ministers have stated that the present car allocation system, based on historic car allocation, will be kept in place, at least for now. Keeping the old allocation levels in place will not allow for the changes needed to make the rail system work more efficiently.

The government will still be fully in charge and will fully control the Canadian Wheat Board. For years I have been arguing that Canadian farmers should be given control of the operation of the Canadian Wheat Board. Canadian farmers pay all the operating costs of the board. Why on earth does the federal government still control the operations of the Canadian Wheat Board? The answer is it should not. Canadian farmers should gain complete control of the wheat board. Then they could decide what they want the wheat board to be like, what they want the organization to be in the future. That was not provided for in the legislation.

Another thing that was not provided for that is extremely important is legislation that will prevent work stoppages in the area of grain handling and transportation. I have seen a lot of fingers pointed, even this morning, on this issue. I saw the agriculture minister point a finger at the Bloc and the NDP saying that they are responsible for the stoppage in the rail system.

I see it a little differently. I recognize that the Bloc and the NDP did stall the back to work legislation. It is beyond me to understand why. I do not understand why. They should not have, but they did. Let us take another step back from this. If the Liberals had done their job, we would never have had a stoppage in the grain handling and transportation system.

Since the debate that ended the lockout of grain handlers last February, Reform has called—and I personally have called—for legislation which would end the stoppages in the grain handling and transportation system. That is more than one year ago.

Over that year, again and again Reformers said not to let stoppages occur. It was evident there would be stoppages this year. There was no contract in place for several groups, unions and management, including rail transportation. No contract was signed. It was predictable there would be a stoppage.

When the Liberals blame the Bloc and NDP for the stoppage, they are only really telling half the truth. The other half of the truth is that the Liberals could have prevented this. Reform pushed them to prevent it and they just ignored our pressure. I encourage Canadians to recognize where the blame for this disruption really should lie.

I would like to talk now about how payments provided for in the budget will be made to the WGTA, dairy, et cetera. First, the $1.6 billion compensation package seems to be the area the Bloc has targeted in its motion. Its members feel that is unfair. The farmers had the Crow benefit, which became the WGTA benefit, which subsidized rail freight to port position. It has been around for almost 100 years. At times the subsidy has actually been $900 million a year. It is an incredibly large subsidy. Recently that has been reduced to approximately $550 million a year, based on last year. The compensation payment is $1.6 billion.

• (1125)

Look at the way the compensation payment will be distributed. The phase out will only be available to farmers who own land, not those who are renting or leasing land. In essence, this provides a very short transition period for farmers who depend on this subsidy. Farmers will shoulder an immense extra cost for transporting grain to terminal positions as a result of the phase out.

Also provided is a $300 million transition fund. This is in place to help farmers deal with the termination of the subsidy. We do not know how the money will be spent and the uncertainty is very difficult for farmers to accept. It will be difficult not just for grain farmers, but alfalfa producers and processors that also used the subsidy.

Feed freight assistance will be eliminated entirely. The date was set back recently from that initially announced in the budget. Three hundred and twenty–six million dollars are available for an adjustment program regarding feed freight assistance. The compensation package will be available for farmers in the maritimes and in parts of Quebec, as will the $1.6 billion be available to farmers in western Canada.

How do these cutbacks in the WGTA and feed freight assistance compare to cuts in dairy? The dairy subsidy will be cut by 15 per cent per year for two years. This subsidy can be passed on to consumers. In fact it has been announced that the increased costs will be passed on. I have some concerns about that.

People in supply managed industries will have a difficult time dealing with the changes that are going to take place. These will be as a result of more competition coming in, perhaps from the United States. This is going to happen. I do not doubt that at all. I cannot say for sure when or how but it is going to happen.

With regard to supply management, Reform feels that farmers should have the right to operate together as they do under supply managed systems. I refer back to 1990 when I was on the Reform agriculture task force that developed the first Reform agriculture policy. At that time we noted that supply management is moving toward a more competitive system. We said that government should not hide this fact from dairy and other supply managed farmers. Back then we recognized the need for government to be very honest about this.

I found that over the past six or seven years governments have not been really honest with supply managed farmers regarding their systems and how they will be subject to more competition in the future. That is really providing a disservice to supply–managed farmers, governments not being honest and open. If the Bloc really has any doubt that there is this movement to more competition in the supply–managed industry then I want to point out a few things that I think will show that in fact supply–managed farmers will be subject to far more competition in the future.

• (1130)

I am not saying that I like the change I see. I know it is going to be very difficult for farmers in the supply–managed sectors. It is going to happen. I am not going to hide this from dairy farmers and from other people in the supply–managed industries.

We are headed for more GATT negotiations in the year 2000. Under the present tariff levels there is good protection for supply–managed farmers. We are going to see a rapid reduction in tariffs resulting from the new negotiations in GATT around the year 2000. As a result of these negotiations there will be far more open access to Canadian markets on the part of American dairy farmers and other supply–managed farmers.

However, there is a more pressing negotiation that is going to take place, which will lead the supply–managed sector to more competition. That is the new NAFTA negotiations. Bill Clinton and Jean Chrétien announced that within four years Chile will be in NAFTA. That means new NAFTA negotiations within four years.

I would like to ask the members of the Bloc if they feel there is a realistic probability, better than a 50 per cent probability, that these new NAFTA negotiations will not include more access to the Canadian market for American supply–managed farmers. I believe the answer is no. There will definitely be more access to the Canadian market by American supply–managed farmers.

I do not believe the Americans will sign a new NAFTA deal that will allow Chile into this NAFTA group unless they are given more access to Canadian markets. I am not saying this is what I want to see; I am saying this is what I believe will happen. There is an extremely high probability that this will happen.

Any politician who pretends this is not going to happen is really depriving the farmers involved of transition time that they desperately need to deal with this very difficult situation. It is indeed going to be very difficult for supply–managed farmers.

Instead of taking a day in this House to debate the relative unfairness of the cuts between east and west, between Quebec and the rest of Canada, it would be far more productive to spend our time talking about how we can help, if we can help at all, supply–managed farmers to move to a competitive market system. It is an issue that is too important for us to ignore in the House.

In the future I look forward to the Bloc using an opposition day to deal with this subject. I believe it would be of far more value to Quebec dairy farmers and other supply–managed farmers in Quebec than this type of motion.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, I listened with interest to the hon. member's speech, who wishes that, the next time, the Bloc will table an opposition motion on other aspects of agriculture. In the last year, the Bloc Quebecois raised the issue of agriculture on two different opposition days. If the Reform Party wishes to do so, it can use its opposition days to debate this issue.

We can probably agree on one point, I think. The 1995–96 estimates provide for the elimination of 429 jobs in the research and development sector of the Department of Agriculture and Agri–Food. The department's staff will go down from 3,454 to 3,015.

• (1135)

We know that jobs in the research and development sector help build the future, but they are also career development jobs held by people with university degrees, technical training or some other more practical training, and these people help their industry develop and prepare for the future.

I wonder if the Reform member shares my view, which is also that of the Canadian Sheep Federation. The federation feels that the federal government is abandoning, without justification, a production in full development. Indeed, this government decided to pull the rug out from under sheep producers by completely withdrawing from the R and D sector of the sheep raising industry. Consequently, that industry, which must face market globalization and international competition, finds itself without any support regarding the development and the improvement of its products.

Does the Reform member feel that such penny–pinching on the part of the Department of Agriculture is a good solution? Would it not be wiser to maintain R and D support at its current level, or at least delegate that responsibility to Quebec and the other provinces, so that they can develop their agriculture? Why would the federal government withdraw from a whole sector of agricultural production after supporting it for years? Is this not an unacceptable decision? Is the Bloc not right in raising this issue in the House?

[*English*]

Mr. Benoit: Mr. Speaker, I also received the memo from the sheep producers, who expressed their concern about the cuts in research funding to their industry. I received the letter yesterday and I look forward to talking with the sheep producers to see exactly what will happen to research in that area.

With respect to the hon. member's comment that these petty cuts are not acceptable, there is an overriding concern resulting from the budget that requires that cuts be made. Most farmers I have talked with have recognized, reluctantly, that the cuts to their industry, while unfair, are absolutely necessary in order to deal with the severe fiscal problem we have. Again, I say they are unfair because they were not balanced between cuts directly to farmers and cuts to the department, and they were not balanced across the country.

The biggest concern of farmers is that the cuts did not go far enough. There is no definite target for the deficit being eliminated. I would like to address the impact of that on farmers. When the member spoke of petty cuts, I became very concerned because these cuts were needed, and more cuts are needed.

However, I hope future cuts will be made in other sectors of federal spending in order to have some balance in the equation.

This budget did not go far enough. Our interest payments will have increased from $39 billion, when the Liberals took power, to $51 billion a year by the end of the three–year budget projection period, which ends two years from now. Those are interest payments on our debt alone. The result of that is an extra $12 billion of taxpayers' money that is being spent on interest payments on the debt. Still, with the Liberal budget, the debt will increase by $24 billion a year at the end of these three years. That means ever–increasing interest expenses.

Where is the money going to come from to make these ever–increasing interest payments on the debt? It will come from the taxpayers, and there are not enough taxpayers' dollars to pay for increased interest payments. That means that tax increases are not an option. That means that cuts will have to be made somewhere else in order to pay for these extra interest payments.

I encourage the government to take a step over the next five or six months to present another budget that will go far enough and set a definite date on which the deficit will be eliminated. I encourage them to do that. However, because that has not happened, and by not having enough cuts or a definite date for when the deficit will be eliminated, interest rate costs will be higher for farmers, because this continuing deficit has put upward pressure on interest rates. Lenders will be hesitant to lend; getting financing is going to be more difficult for farmers. There is also the threat to social programs, which will continue.

• (1140)

So not only are farmers asked to share more of the cost, but there is a real threat to social programs, including pensions, health care and other social programs that they depend on and want.

I do not think any of these cuts can be called petty. In fact, this government must go further in the very near future or the damaging results will go way beyond the pain that has been caused by the cuts in this budget.

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, I did not get a chance to listen to the first part of the hon. member's speech, but I did hear the last part where he was talking about supply management. He said that in his opinion supply management will be gone in a few short years.

One of the ministers who helped negotiate this is just leaving. I would like to know what the hon. member bases that assumption on, that in fact supply management is gone or is going to go, considering that I feel we had a very successful round of negotiations at the GATT and in fact supply management is very well protected, thank you very much.

Maybe the member can tell me what he bases that assumption on.

Mr. Benoit: Mr. Speaker, I would be glad to answer the member's question.

I base this on three main points. The first point has been well made by the lawyer representing the dairy farmers of Canada in their push to keep American products out of the market. They of course are saying that GATT takes precedence over NAFTA with regard to supply management. The lawyer who is representing the Dairy Farmers of Canada has said: "Hey, guys, you had better be careful here. The Americans have a very good case that in fact NAFTA has precedence over GATT."

As this member will well know, this lawyer—who represents the Dairy Farmers of Canada, not the Americans—has said that this is a real concern and that we had better be prepared for the decision going in favour of NAFTA having precedence over GATT. If this happens then supply management as we know it is in jeopardy immediately.

The next major thing that threatens supply management as we know it is the NAFTA negotiations around letting Chile into the NAFTA family. Our Prime Minister and the President of the United States have said that within four years Chile will be part of the NAFTA family. When that happens, and as those negotiations take place, I believe Americans will demand that Canadian markets be opened up to their products in the supply–managed area. That is the second very real threat to supply management.

The third threat is the new GATT negotiations, which will take place starting in the year 2000. I believe those new negotiations will in fact lead to a rapid deceleration in tariffs protecting the supply–managed industry.

I do not like saying these things to supply–managed farmers because I know this is going to present a great difficulty and a real challenge for them, but I am not going to hide it. I am going to be very honest and open and say: "I believe this is what is going to happen. Take any time you have to prepare yourselves for this major change."

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, when the opposition chose to focus on agriculture on this opposition day and especially on the budget cuts, our intent was not to say that we have something against budget cuts when they are needed.

Canadians throughout the country, including Quebec of course, realize that we do not have any choice. With the economic situation being what it is thanks to the previous Liberal and Conservative governments, we have to cut.

• (1145)

But when the taxpayers are asked to tighten their belts, they want to know why and for what purpose.

As a member of the Bloc Quebecois representing a mainly rural riding, I know that our farmers and milk producers are wondering what would be the point of making such sacrifices. What does the government intend to do? What is the government aiming for when it cuts in my industry instead of somewhere else? Is the government trying to put our financial house in order so that we can all compete more efficiently against each other in Canada? Is the government making short–term cuts in order to help farmers in Quebec and Canada better compete on the world market in the medium term? Or has the government simply decided that to pay back our debt it has to cut spending wherever it can, since the important thing is to cut?

Under these circumstances, no one will agree to make such sacrifices.

I am sorry, Mr. Speaker, but I should have told you at the beginning of my speech that, starting with me, the speakers will be sharing their allotted time.

I was saying that the way the cuts are made seems unfair to us. In fact, the government announced the elimination of the $560 million annual subsidy known as the Crow rate and—others have pointed it out before me but I think it is worth repeating—that subsidy primarily benefited Western farmers through low grain transportation rates. However, to help farmers adapt to the change, the Minister of Finance will give them $1.6 billion as compensation for the loss in value of their land, $1 billion in loan guarantees to buy grain and $300 million over a five–year period to facilitate the transition.

These could be seen as satisfactory measures. We could say: "Good for them. The cuts will not harm them too much since they will get compensation". The problem is that when the Quebec producers compare their situation with that of others, they see that they are not treated fairly. Take milk producers. The Minister of Finance will reduce the subsidies to milk producers by 30 per cent over two years, which represents $70 million over a current budget of $300 million. There is no financial compensation to help Quebec producers absorb this major cut.

We show compassion for the Western farmers, we feel sorry for them and we give them compensation, but when we talk about Quebec farmers, we tell them: "You are used to suffering, you are tough, so we will not give you anything, it is your problem".

The government gives $2.2 billion in subsidies to Western farmers, the vast majority of whom will recover their losses, but it will not give a single penny in compensation for the cuts that will primarily affect Quebec farmers.

In the face of such flagrant favouritism, can we really talk about a fair and equitable budget? I do not think so. The impact of these inequitable measures could be very harmful for Quebec farmers.

The Fédération des producteurs de lait du Québec argues that with this generous compensation package, Western farmers will have no trouble competing with Quebec farmers, who will be struggling with the cuts. Is that what the government wants? This is the question I asked at the beginning.

• (1150)

Does the government want to give some farmers an advantage over other farmers in Canada? Does it want to specialize farm production? Does it want to specialize crops? If that is what it wants, it should say so. Maybe it would help farmers become more competitive. However, if all farmers specialize in the same production both in the west and in the east, then Canadian farmers will find themselves competing with each other.

This might work under different circumstances, for example after a victory in the Quebec referendum. Then it could become healthy competition and the same taxpayers would not be paying twice. Taxpayers in Quebec would pay to promote their own products and taxpayers in the rest of Canada would pay to promote their own products. Quebec is certainly capable of responding to this challenge. However, it is not willing to pay for the development of both its products and those of western producers. It is unfair and totally unacceptable.

We could talk about hog farmers in Quebec who are also threatened by these cuts in subsidies. The compensation given to western farmers creates a distortion on agricultural markets that will be very costly to Quebec farmers. The 30 per cent cut in subsidies to industrial milk producers is particularly unfair because it so happens that Quebec dairy farmers produce over 47 per cent of Canadian industrial milk.

It always boils down to the same question: What is the purpose of asking Quebecers to make such a sacrifice? Quebec farmers account for 47 per cent of the total production and they are being asked, without any compensation, to keep producing and to remain profitable. Does the government really want to help the dairy industry in the medium and long term or does it want to encourage other provinces to compete with Quebec?

An hon. member: Good question.

Mr. Laurin: There is another aspect of this budget that we need to talk about as it relates to agriculture. Despite the fact that the federal government promised in the red book not to cut research and development spending, Mr. Martin's budget makes drastic cuts in R&D spending.

In the Department of Agriculture, as mentioned earlier by a previous speaker, research budgets will be reduced by 11 per

cent over the next three years. Seven research centres will be closed, two of them in Quebec. The closing–down of the centre in La Pocatière, for example, will eliminate 30 jobs and result in savings of $1.5 million and that of the farm in L'Assomption will eliminate 19 jobs and result in savings of $1.3 million.

Yet research is the most important ingredient in the creation of jobs, and the development of agriculture and animal production. What would you think of a farmer who has to reduce his costs and decides he is going to stop buying seeds? That will be a fine way to cut spending, but at the same time, it will cut all his income.

We are acting exactly the same way when we start cutting research and development. We keep producing with the same methods and they eventually become obsolete. We forget about the future and our products become less competitive because our production procedures are obsolete and we cannot lower our costs.

An hon. member: There is a lack of vision.

Mr. Laurin: That is all part of the planning problem I was talking about at the beginning of my remarks. That is what is lacking with this government. Cuts were made not because the government has a well thought–out plan, but because cuts had to be made.

• (1155)

To give you an example of the slash and burn policy of this government, let me deal once again with the closing–down of the farm in L'Assomption in my riding. A lot of research and development was being done there. They had new horticultural products ready for marketing. Those products would have been viable; a fine example of applied research. The whole farm was cut anyway.

The government put up a new farm building in L'Assomption at a cost of $3.5 million. It was inaugurated last fall. This year, it is being closed down and 19 employees are being sent home. What about the equipment there? They do not know yet what they will do with it. Is this the kind of planning we can expect from this government? Is this the way the government intends to deal with the most viable research and development resources in Quebec? If so, the Bloc Quebecois cannot stand and watch while Quebec farmers are being treated unfairly, as will be very well demonstrated by other Bloc speakers today.

This kind of situation cannot be tolerated and this is why we will speak loud and clear against that.

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I heard the hon. member talk about a loss in jobs, particularly in the research area.

Everyone is concerned about losing jobs in research. We all know the importance of research. It is one of the top priorities Reform has targeted in our budget and in past documents dealing with the budget.

I agree with the Liberal philosophy with regard to research. I believe that at least what they say is the best approach to take regarding research. Research should be targeted better. There should be more partnerships developed with the private sector so taxpayers dollars are in with private business dollars to form partnerships to end some of the duplication in research and to spend the research dollars better. Private business needs to take a bigger role in targeting research so research is being done in the areas most likely to pay off well to business in terms of improvement. In this case we are talking about agriculture.

I agree with the Liberal philosophy presented with regard to research. I am concerned about the loss of jobs in research. We cannot afford to lose the research. There is room even in research to do a better job with the dollars we have.

While I agree with the member's concern about the loss of jobs, I ask the member for his comments on the loss of jobs that will result from the cuts the government has made not going far enough. In other words, there is no definite deficit target set in the budget. Because there is no definite target business will not have the atmosphere it needs to expand and or new businesses to be set up. As a result there will be fewer jobs in the future and certainly the jobs that could come—

The Acting Speaker (Mr. Kilger): I will take a moment to express the Chair's dilemma.

[*Translation*]

We have a topic of great importance. Many members, on both sides of the House, from all parties, have already indicated they wanted to take part in this debate. If we are going to share our 20 minute speaking time, and break it down into two 10 minute periods, each followed by a 5 minute question and comment period, I would ask all the speakers from all parties to keep their questions simple, direct and short, so that the member who just delivered his or her speech can give a proper answer. Everybody should keep this in mind. And I hope that we can proceed in this fashion.

I give the floor to the hon. member for Joliette.

Mr. Laurin: Mr. Speaker, I will give a short answer if you can tell me how much time I have left. One minute. My answer will have to be short.

What I wanted to say when I spoke about the farm in L'Assomption as an example of the government's lack of planning is that a week before it was closed down, the employees did not know the experimental farm was to be closed down.

• (1200)

Six months before closing down, a new building worth $3,5 million was opened with a ribbon–cutting ceremony. Now, the annual operating budget was only about $1,3 million. The farm did not cost a lot to operate, but it was very productive and yielded very interesting results. In fact, it was just about to sign agreements with the private sector, but this was ignored, because cuts had to be made. I would not be surprised to hear that the real target was the farm at Saint–Jean–sur–Richelieu, and that it has not been hit because closing down the military college was already quite enough.

Thus, the government did not want to add the experimental farm at Saint–Jean to the list, so it chose two others elsewhere, thinking that everybody would be satisfied and that they were free to cut. That, Mr. Speaker, is what we want to denounce.

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, I am pleased to speak to the opposition motion introduced by my colleague, the member for Frontenac. In Quebec, since the general assembly on the rural sector in February 1991 and following the summit on agriculture in June 1992, we have seen the rural and agri–food sectors begin to join forces with the common goal of gaining a share in new markets. This was the expression used by the then president of the Union des producteurs agricoles, Jacques Proulx, and I use it today because it describes so well the vision which drives our agri–food sector.

The stakeholders in Quebec want to regain local markets and gain access to international ones. In this respect, one of the approaches that the agri–food system favoured at the summit held in Trois–Rivières consists in stepping up research, development and technology transfer, which are part of the strategy to gain a share in new markets. With Mr. Martin's budget, the Liberal government made cuts in research and development, which led to the closing of two research centres in Quebec, the La Pocatière and L'Assomption centres.

Once again, the federal government makes cuts unilaterally without taking into account the consensus of those most concerned. Quebec's agri–food sector is trying to adapt to the challenges it is facing at the end of this century and it will need all the help it can get. Research centres are a valuable tool.

Quebec's milk producers relied on research and development results from different sources in order to increase their herd's productivity, and they were very successful in doing so. As proof of this, Quebec's dairy herds are among the most productive in Canada and rank well at the international level.

This is a good example of Quebec's producers taking results of research and development and incorporating them into their day–to–day operations. The whole rural community benefits from the research and development, which in turn ensures the community's survival.

On another connection, I would like to draw my colleagues' attention to the budgetary cuts made at the Food Production and Inspection Branch concerning the application of Agriculture Canada's activity plan. Since April 1, 1995, slaughterhouses recognized by the government have had to pay part of the cost of food inspections. These businesses must, as a prerequisite to their certification, conform to Canadian standards on the design of slaughtering and storage installations and, subsequently, to standards on the maintenance of sanitation.

Consequently, these are important investments, particularly for small businesses in rural communities which cannot take advantage of the economies of scale and the proximity of a sufficiently large market. Imposing charges for meat inspection is detrimental to small slaughterhouses. Moreover, it will penalize rural municipalities where these businesses are located. The government says it wants to create jobs, but adopts measures which jeopardize jobs. As an example, in my riding, there are two businesses which will have to clear this new hurdle, or close their doors. Some fifty jobs could disappear.

• (1205)

In a recent letter that I received on that issue, the Minister of Agriculture said that he was in favour of talks and cooperation with national sectoral stakeholders so that they could find some options relating to cost sharing, programs restructuring and changes in service delivery.

Should the minister not have waited to find solutions, in cooperation with stakeholders, before applying a tarification? And how will he consider the duplication of inspection services, particularly between the Quebec Department of Agriculture and Agriculture Canada?

At the États généraux du monde rural, Quebec stakeholders as a whole wanted a shift of political powers from the top to the bottom. The minister could take advantage of this people's willingness to put an end to the duplication in this sector and to guarantee Quebecers that they will only have to fund one inspection service and that it will be non– partisan because administered entirely by the government.

Since my riding is made up of agricultural and forest areas, I would like to deal with the impact of the federal withdrawal from the funding of operations in private woodlots. In the Champlain riding alone, private woodlots harvesting provides direct and indirect jobs to several hundreds of people. Also, several municipal governments collect property taxes through developments and value added to private woodlots.

In 1992–93, in Quebec, the federal funding of private woodlots generated $71 million in profits for businesses and operators, $30 million in salaries and $12 million in taxes going back

to the government. So, we can consider that the government's involvement in private woodlots is an investment.

For each million dollars invested in private woodlots, between 40 and 50 jobs are created, whereas the national infrastructure program only generated the equivalent of 10 job–years for each million dollars invested.

The Bloc Quebecois is asking for a transfer to the provinces of federal funds and related responsibilities, which should better serve the interests of forest producers and workers.

In conclusion, I urge the federal government to put an end to the duplication of services and to give back the powers and the budgets to provinces that were able to get organized and to establish equivalent services that better respond to the people's concerns and needs.

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I wish to congratulate my colleague and neighbour of the riding of Champlain for the excellent speech he made on agriculture. He raised a point in which I have a particular interest and it is inspection. I have heard about that issue and the situation is worse than what I was told.

I would like to hear his comments, especially on the issue of impartiality that he raised. Are we to understand that inspection costs which were paid for impartially by the government in the public interest will from now on be paid for by producers, thereby placing the inspectors under the control of producers? If so, they will be at the mercy of people acting both as judge and as jury.

Does it mean that the public interest in that area will from now on be threatened by privatization which is expanding and perhaps being implemented drastically?

Mr. Lefebvre: Mr. Speaker, I thank my colleague and neighbour of Trois–Rivières. There are cases in my riding that I would like to quote as examples. I refer to small packing plants with between 15 and 25 employees. In the past, the costs of monitoring sanitation of premises and wholesomeness of food were paid for by the government. The last Liberal budget imposed that extra monetary burden on small packing plants. I believe that small plants cannot compete with larger plants and this is an inequity in the federal budget.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I really wanted to take part in this debate because, as you know, my colleague, the hon. member for Champlain, sits on the Standing Committee on Agriculture. In the past, he has always demonstrated a keen interest in agriculture.

• (1210)

However, I would like to hear his comments on the issue of research and development. As he mentioned, unfortunately for the province of Quebec, two research stations will be closed, one at L'Assomption and the other at La Pocatière.

I remember the day I was sitting on a committee on agriculture with the hon. Eugene Whelan, as a guest witness. You must have known him very well, since he has made a significant contribution in this area. He used to say to us: "Each dollar we invest in agriculture has a $7 return."

I would ask the hon. member for Champlain whether he would agree with the hon. Eugene Whelan and, if so, how he can justify the cuts the Liberal government has made in agricultural R & D?

Mr. Lefebvre: I want to thank my colleague from Frontenac for his question.

We know that all the farmers in Quebec really need research and development activities.

I have here a research and development federal strategy report. Each year, the federal government invests almost $6 billion in research and development, not including the tax credits which account for $1 billion each year. Almost 60 per cent of the federal contribution to research and development, excluding the tax credits, are invested in domestic research done by federal laboratories, which include all the departments. The rest is broken down as follows: industry receives $977 million; universities, $960 million; foreign researchers, $286 million; and others, $210 million.

On the whole, federal spending in research and development benefits Ontario. In 1990–91, Ontario received 53 per cent of the federal spending, while Quebec got 19.5 per cent. Yet, Quebec's industrial structure does not warrant such small investments by the federal government.

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, I would like to mention that I will be sharing my time with the hon. member for Durham.

I rise today to participate in this debate on the motion of the hon. member for Frontenac which was no doubt prompted by the hon. member for Saint–Hyacinthe—Bagot. For these two members, agriculture is to Quebec what federalism is for the Bloc. They understand nothing about it, they simply do not believe in it, they are blocked.

The budget was tabled in February and the reaction was good on every front. If we want our country to continue onward and if we want to maintain all the services we are so attached to, we must put our financial house in order. Mr. Martin's budget does just that. It is focused on reduced expenses, not on tax increases. For each additional tax dollar, expenses are reduced by $7. We are striving for healthier finances by trying first to ensure growth and create jobs. Some very difficult decisions had to be made and this government had the courage to make them. This is what responsible government is all about.

Good common sense prevails now, at least on the Liberal side. We have chosen to head towards better control of the deficit and we are on the right track. We made some tough choices in order to save our social programs, our social security and our standard of living.

The impact of the 1995 budget will be no greater for Quebec's agricultural sector than for any other province or sector. I would like to adopt a slightly different approach here and explain what exactly is the importance of Quebec's agricultural sector within the Canadian agricultural and agri–food sector as a whole.

The latest data on agriculture in Quebec are very impressive and show a very dynamic, sustainable and promising sector. For example, the agri–food industry generates 5 per cent of the Quebec GDP and 4 per cent of all the jobs in Quebec, which is approximately 130 000 direct jobs.

The most important primary industry in Quebec is the agricultural and agri–food sector. It is first among the manufacturing industries.

• (1215)

As for the data comparing Quebec to the rest of Canada, the province of Quebec is doing very well. In fact, the Quebec agri–food industry accounts for 22.4 per cent of Canadian agri–food GDP and 25 per cent of manufacturing shipments. Moreover, 19 per cent of agricultural revenues, 37 per cent of the milk produced in Canada, including 47 per cent of industrial milk, also come from Quebec's agricultural sector.

If we add to these figures the fact that 33 per cent of Canadian exports of pork and 9.6 per cent of total Canadian exports are also from Quebec, it is obvious the province of Quebec has a very prominent place in the agricultural and agri–food industry in Canada.

Within the Department of Agriculture and Agri–food, it is a well–known fact that the success of the agricultural sector is due mainly to the efforts made by all the stakeholders.

However, no one can deny the contribution made by Agriculture and Agri–food Canada in many initiatives aimed at, first, ensuring the viability of agriculture and the prosperity of the agri–food industry; second, ensuring long–term financial security; third, promoting growth and diversification, as well as employment in the rural areas; fourth, ensuring the viability of the resources and protecting the environment; and fifth, maintaining a supply of top–quality wholesome foods.

It is to be noted, among other things, that the interests of the Quebec agri–food industry were very well represented by Agriculture and Agri–food Canada in international trade and in the discussions on the Canada–U.S. Free Trade Agreement or NAFTA which followed and the GATT. Moreover, Quebec producers and processors have already begun to take advantage of the numerous opportunities and things should develop faster in this era of market globalization.

And what about the four research centres established in Quebec for the benefit of the Canadian agricultural community, the natural resource conservation programs and the participation of Agriculture and Agri–food Canada in initiatives aimed at reducing nonpoint source pollution, like Vision 2000.

I would like to remind members in the House that since joining the cabinet the current agriculture minister has always worked in close partnership with provinces, the private sector, educational institutions, farmers associations, processing sectors and Canadian producers as a whole.

Co–operation and consultation will continue. The agricultural sector will continue growing very rapidly in Quebec and in Canada. Constituents from Brome—Missisquoi are proud to have elected a Liberal member of Parliament who is ready to act in the interests of all farm producers, from Brome–Missisquoi as well as elsewhere. They chose to go with the dynamism, the transparency and the consultation I offered them as opposed to the consistent blocking by the Bloc. Only a flexible federalism will allow us to continue developing in a secure environment within Canada.

Dairy farmers, hog producers, grain producers, apple growers and others, the whole processing industry are and will go on experiencing great changes in the vast world of international trade.

Instead of griping, instead of blocking the interests of the farmers, let us help them.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I may remind you once again that in October 1993, Quebecers and Canadians opted for a change, but especially Quebecers.

Before 1984, there were 74 Liberal members in this House, similar to the member I just heard. Today, Mr. Speaker, there are at least 53 members of the Bloc Quebecois who are prepared to rise in this House to condemn inequities. During the last election campaign to which the hon. member referred earlier, I followed him around for a few days, but he was always hidden away, while I was around his riding. I often went to L'Encan Lafaille et Fils.

• (1220)

I suggest the hon. member go and talk to the farmers next Monday, at L'Encan Lafaille in Coaticook, and ask them what they think of the Martin budget on agriculture. This guy does not have a clue about what is going on. He should go and talk to the UPA on Bourque Boulevard, just outside his riding, near Magog, and find out what the UPA in Sherbrooke has to say about the

Martin budget, especially the cuts in the dairy sector. He should read *La terre de chez nous* and find out what the farmers think about his government, and he will realize they are not very happy.

Why not talk to the farmers he did not meet during the election campaign, because he refused to have a debate? He does not talk about it, he tries to evade the issue, and when Quebec was represented by 74 members, 74 sheep, this attitude did a lot of damage. In concluding, I suggest the hon. member go to Bourque Boulevard. Next Monday, and if he does not know how to get there, I will go with him, he should go to L'Encan Lafaille, to talk to the farmers. Then he might realize what is really going on.

It is all very well to have a bunch of lawyers, but a bunch of farmers defended by farmers is even better. So I would urge the former president of the Quebec Bar Association to take a stand in favour of agriculture.

Mr. Paradis: Mr. Speaker, as concerns going out into the field, I remind my hon. colleague that I have just returned from an electoral campaign during which I met a lot of farmers in Brome–Missisquoi. Afterwards I also met farmers from other regions. I thank the farmers from Brome—Missisquoi for having voted Liberal in the last election. I feel very grateful for the confidence they placed in their humble servant. I thank them sincerely.

I want to go back over the issue of research and development that the official opposition mentioned a few minutes ago. Several Bloc members mentioned R & D in relation to this debate. It would be a good idea to check if the Quebec Minister of Agriculture, a good friend of theirs from their PQ head office, heard what the Bloc members said. In fact, this provincial minister just tabled a budget in the Quebec National Assembly. In the tabled documents, it is mentioned, under "Education, Research and Development", that funding in this area will drop from $45 million to $41 million. They are cutting $4 million from research and development.

The Bloc's friends in the head office cut funding for research and development by $4 million. We should at the very least send forthwith a copy of Bloc's remarks about research and development to their head office as well as to the Quebec Minister of Agriculture.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I have had some experience with farming. This time of year we would normally be out on the land cultivating. Most of the farmers in Durham are doing just that. I sometimes wonder if they are not better off than I am sitting in the House.

In my riding of Durham one in five jobs is food related; 2.8 per cent of provincial milk production is from farmers in Durham. Our grain sales are over $10.5 million. We have won worldwide acclaim for livestock and crops. One can see farming is no strange animal to the people of Durham.

One million, eight–hundred thousand Canadians are engaged in the vocation of agriculture. It accounts for 8 per cent of gross domestic product and 15 per cent of the Canadian workforce, clearly a very important industry.

Agriculture is a shared jurisdiction and there are some very good reasons for that. This has occurred from the time of Confederation and continues today. One thing we have in common is we all must eat. Clearly it is very important to produce our agricultural products efficiently, to transport them effectively and to continue Canada's excellent reputation in the export of agricultural products.

• (1225)

I will discuss quickly how in some ways Quebec benefits by this shared jurisdiction. The argument laid out today is that somehow the agricultural sector of Quebec has been subsidizing some other aspect of agriculture within the country.

In 1990, Quebec—these are total government spending and taxation figures—received $35.1 billion in federal government spending. It paid $24.5 billion in taxes. Clearly there is no subsidization process here. This is just a trick with numbers taking one aspect of that spending and taxation system and expanding it to make a big argument.

Quebec benefits in many other ways. In the GATT negotiation our government argued very strongly and very effectively to protect our supply managed industries. High tariff walls will prevent a quick reduction in commodity prices in Canada. All farmers in Canada have benefited but certainly the people in Durham, a large dairy farming area, have expressed their appreciation for what the Government of Canada did for them. I am sure Quebec dairy farmers feel similarly.

When the supply management system was established in Canada, of the industrial milk quota, Quebec had 48 per cent of the industrial milk production. That is what is owned currently by Quebec farmers.

In research and development, and we have touched very briefly on that subject, I have an interesting quote from the member for Quebec East, the agricultural critic of the Bloc: "There is no doubt that with regard to research Quebec is not unfairly treated at agriculture Canada". Clearly even the Bloc has recognized it is not unfairly treated within our federation.

The federal government spends approximately $360 million in Quebec in the area of agriculture. Quebec's agricultural production which it sells within the country is three times

greater than what it exports. Clearly Canada is a major market for Quebec produce. Over one–third of the total production of Quebec agriculture is sold within Canada. Much more of that is consumed within the province. Canada is a major consumer of Quebec products.

The federal government today has 1,400 employees engaged in Quebec assisting with agriculture. By reducing subsidies, and I believe this is the essence of the motion before us, we will increase flexibility within the agricultural sector.

This is what the members of the Bloc have been arguing for over the last year; reduce grain subsidies, reduce transportation subsidies to the west. That is what we have done. The Bloc today should be rejoicing rather than having motions of this type complaining about the fact that it has happened now.

By reducing subsidies we are giving farmers the ability to be more innovative, to produce value added crops in Canada. Why do we ship raw materials all over the world while other people ship us finished goods? This is something Quebec and western farmers, indeed all farmers in Canada, have to address.

The farmers in my riding have not complained about the 30 per cent reduction in the subsidies for industrial milk production. They do not like it but they understand it and they are less concerned about it. When the budget came down they told me to make sure the negotiated stand by the government for them under GATT is maintained.

In 1993 Quebec's agri–food industry reached $1.2 billion, 9 per cent of the total Canadian market proceeds. In the last 12 years Quebec farm income has risen 67 per cent. Quebec farmers have the highest per capita income of all farmers in Canada. Here they are complaining about agriculture. It seems odd to me.

• (1230)

Let us get back to discussing co–operative federalism and why this is a shared jurisdiction. The report by the Government of Quebec only last year showed that the two levels of government work well together. This was its concluding remarks. Overlap and duplication are minimal, estimated to be less than 1 per cent of combined federal–provincial spending.

In July 1994 the federal and provincial agriculture ministers reaffirmed their commitment to work together to ensure that agricultural exports in Canada will reach $2 billion by the year 2000. Canada at one time had 3.5 per cent of the entire global agricultural trade. This has slipped over the last two years. This joint federal and provincial task force has reset those goals to take Canada back into the area of 3.5 per cent of global agricultural trade. A federal–provincial development council has been established in order to reach these goals.

This creates one single window of opportunity so that all aspects of agriculture in Canada will be able to market their programs internationally. Indeed the federal government has donated and committed 50 full time federal employees to attempt to penetrate 150 foreign markets throughout the world.

In summary, by continuing to co–operate federally and provincially to solve the problems of agriculture, to work on our research budgets, hopefully not meaner, but leaner and more effectively, will make Canada a world leader in agricultural product marketing. It will also make for a more efficient industry within our borders.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, in his speech, the hon. member mentioned one item which I find very relevant. He wondered why we are so dependent on imports and why some regions in Canada are not self–sufficient.

In this regard, he shares the view of the Canadian Sheep Foundation which claims: "The Canadian government is abandoning without any reason a production in full expansion". How can the hon. member explain his government's decision to discontinue its research and development assistance to an industry whose self–sufficiency, throughout Canada, has gone from 23 to 45 per cent since 1976? Why are we informing the sheep industry that we are abandoning our research and development efforts, that we intend to rely even more, if possible, on imports?

How can the minister justify such a decision? We are not talking about protecting the Quebec market only, but about the conclusions of the Canadian Sheep Foundation, which is astounded by the decision.

My other question to the hon. member relates to shared jurisdiction. How can he explain that, in La Pocatière, where an agricultural technology institute run by the Quebec government and a federally–funded experimental farm are located, we are closing the farm without even informing the Quebec government, without proposing any other use for the buildings? Is that not another example of the major negative impact of shared jurisdictions such as the one that exists in agriculture?

[*English*]

Mr. Shepherd: Mr. Speaker, I thank the hon. member for his question regarding the closure of one of these facilities.

Of course it has been necessary to rationalize research facilities throughout Canada. This is not just in agriculture. It deals with industry. It deals with technology. In all kinds of aspects we have had to wonder whether we need bricks and mortars in different parts of the country.

Technology and research do not necessarily need a building. I notice that much of our technology can be done out of people's houses these days. Whether we have bricks and mortars in Quebec or bricks and mortars in Manitoba is somewhat irrelevant to say the least. I note also that the agricultural facility here

in Ottawa is downsizing. In fact, a lot of its facilities have been transferred to the province of Quebec.

• (1235)

The member has an interest in lambs and sheep but I must confess that I am not competent to discuss this matter. I would suggest that there is possibly a degree of rationalizing. Clearly we cannot be competitive in all agricultural products; we must pick those areas in which we can excel.

I am not saying that is not true for lambs and sheep, but I suspect there are only so many industries within the agricultural sector in which we can effectively compete. This area has a lot of competition from Australia and New Zealand. I would have to study how efficient our industry is relative to theirs to answer the question properly.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I would like to advise you right off that I will be splitting my speaking time with the hon. member for Shefford.

I am using this opportunity to speak on this agricultural day to draw attention to a highly questionable decision taken by the federal government in its recent budget.

On budget night, it was announced that the experimental farm at La Pocatière would be closing. As it is located in my riding, it is clear I find the closure unacceptable and will prevent it from happening. What surprised me most was the justification given for the closure in the Department of Agriculture's estimates. According to the estimates for the agriculture department, the facility is being closed because sheep and lamb are low priority products. I would like to prove otherwise to this House.

In my region, the agri-food development strategy was made a priority for the entire regional county municipality of Kamouraska. The lower St. Lawrence regional co-operation and development council incorporated it as one of its priorities as well. Up to this point, you might argue that this is normal, as it is a matter of regional interest. However, even the Canadian Sheep Federation together with the Fédération des producteurs d'agneau et de mouton du Québec feel that the Government of Canada is abandoning without justification a type of production that is in full development.

Why do we say this? Are these empty words, or are they based on some reality? My research indicates that, between 1976 and 1992, we increased our rate of self-sufficiency in Canada from 23 per cent to 45 per cent. In other words, during these years, sheep production took on a larger role in the economy and contributed to Canadians' wealth. More than that. Between 1971 and 1991, the herd increased by 8.7 per cent. In Quebec, between 1971 and 1991, the number of animals grew from 88,000 to 121,000—an increase of 37 per cent.

Therefore when the Minister of Agriculture says that this is a low priority product, I am hard pressed to find justification for his position, since both production and consumption have substantially increased. The market is expanding as a result of significant levels of immigration in Quebec and Canada. Indeed, for many cultural communities, lamb is part of their culture and part of their traditional food.

Then why cut in this area? We must understand how important research and development are for any industry. The dairy industry in Quebec, Ontario and Canada was not built on nothing. Research was done to make animals more productive, to improve milk quality and to manufacture better secondary products.

As for lamb and sheep, we were in the process of doing the same. I am going to give you some examples of research projects which were being carried out at the experimental farm in La Pocatière, so that you can understand that what is done there is not harebrained research, but something very concrete, which was going to help the industry.

For example, the farm is working on enriching the diet of ewes with three lambs instead of two, because this means an increase in productivity. This is very concrete. This is something which lowers production costs and would allow the industry to compete with New Zealand and Australia on world markets.

• (1240)

Then, there are studies on regulation of the reproductive cycle. Software for flock management is even being developed. Computers are now used in this agricultural sector, as well as in many others. It seems important to me that such research be carried out. Refusing an industry like sheep production the research advantages given to other sectors is like telling producers who invested in that area that they might as well quit.

Here is another example. The experimental farm was studying the use of canola oil-cake as a feed for sheep. For those who may not know it, canola oil-cake is what is left after the oil has been extracted from canola. This kind of research benefits westerners, because sheep farming is becoming more popular in western Canada, and also benefits eastern Canada because canola is produced there. It has nationwide applications and would cost less than some other feeds currently on the market.

These research projects are concrete examples. They are examples proving that that particular farm had a country-wide mandate to support sheep farmers. The federal government closed this facility because it considers sheep as a low-priority product. Was that decision reasonable in today's context where

farmers are being asked to diversify and to be ready to respond to changing markets?

Considering that sheep farming is the most ecological kind of farming and that it permits farmers to use land which can be used in no other way, was closing Canada's only research centre on sheep farming, the experimental farm at La Pocatière, a logical decision?

I think that the decision was a major blunder, and each budget probably contains one. The Bloc never said that Canada's budget should not be cut, we are simply making suggestions regarding where to cut. But cutting research and development funding for an industry that is progressing is like robbing Peter to pay Paul, and it will probably backfire on us.

We are inclined to call it another example of Canadian federalism. The least competitive sheep producers will inevitably have to call on stabilization programs more often. That will put more pressure on the Government of Quebec. We find this kind of decision unacceptable and we target it in the first part of our motion when we state that we "denounce the government for reducing the general budget of the Department of Agriculture by 19 per cent".

If the 19 per cent was cut from sectors which did not jeopardize future production, we could have seen what kind of impact the cuts would have had. But how can a government claim to place a high priority on job creation yet cut over 400 research and development jobs in Canada's farming sector—30 of which were located at La Pocatière, in the Kamouraska region—and systematically cut high paying jobs which stimulate economic development?

After cutting 30 jobs in agricultural research, biology, technology, unskilled labour, how can they justify announcing that 25 jobs were created in another sector the following week? This decision appears to be some kind of a nonsense.

I think I know the basic reasons for the choice. They gave experimental farms specialized mandates, for example, sheep farming at La Pocatière. They invested around $7 million there over the past few years. They rebuilt a sheep barn that had burned down. Then they suddenly decide to close the facility. Because only one experimental farm had this mandate, the others do not really feel that they are affected. They began to sever the strong ties between this farm and the local economy.

• (1245)

I believe that part of the mandate could have been maintained in this area. Nowadays, there are numerous stakeholders, and I will name a few who are not members of the Bloc Quebecois, and may not even be known separatists or sovereignists. I will give you an example. Officials from the La Pocatière agricultural technology institute, where the farm is located, Laval University, the Quebec sheep breeders' association, the two national federations I mentioned earlier, the Quebec agriculture department, all these stakeholders are asking the minister to meet with them so that they can explain to him why they think he is making a mistake and why he has to change his mind.

I hope that the agriculture minister will have enough sense to listen to their arguments and to look for solutions allowing research and development in the sheep industry to continue and to expand, so as to provide support for producers and keep one of the oldest farming areas in Canada going, with a flourishing experimental farm in La Pocatière as its bet for a prosperous future.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, it is clear from the remarks of my colleague for Kamouraska—Rivière–du–Loup that La Pocatière is in his riding.

Let me remind you again that agricultural research and development is vital. It is the key to success. It makes the difference between a country where there is food self–sufficiency and a third world country that continually has to import food to feed its people.

My main reason for my interest in sheep is the DLS breed. Some researchers, particularly researchers from La Pocatière in conjunction with their colleagues from Lennoxville, in the vicinity of my hon. colleague's riding of Mégantic—Compton—Stanstead, and my own riding of Frontenac, succeeded in genetically producing a new breed of sheep which will leave its marks on the future of sheep breeding in Quebec and Canada.

What is even more disappointing for the hon. member for Kamouraska—Rivière–du–Loup is, of course, the fact that, after a fire at the experimental farm, the federal government, typically lacking in vision, spent nearly $7 million to repair and rebuild buildings used among other things for sheep breeding. Now, in this budget devoid of comprehensive view, it is announcing the closure of this research station which, incidentally, was the oldest in Canada and Quebec.

Mr. Crête: Mr. Speaker, I welcome the opportunity provided by the comments the hon. member for Frontenac just made to lay stress on how illogical this decision was. A few years ago, the federation of purebred sheep breeders made a decision on where its artificial breeding centre would be located. They chose the experimental farm with a mandate for ovine breeding in Canada, namely La Pocatière. They decided to locate their insemination unit in La Pocatière, so that there would be a direct link between researchers and the industry, which would promote efficiency.

New breed development was just mentioned. This is precisely the type of work you can expect any experimental farm involved in production to perform to develop more productive breeds, groups of animals or individual animals. All kinds of research can be conducted on sheep to ensure they can compete and will enable us to break into the New Zealand market from which we are currently importing. No one here can tell me today that it makes more financial sense in the long term for Quebecers and

Canadians to keep importing sheep from New Zealand when we have been working for 20 years towards self–sufficiency.

• (1250)

Now that we are halfway there, the federal government is taking the wind out of our sails, without any consultations. No one had heard about any such plan before budget night. The industry is raising up against this plan and asking the minister to reconsider his decision, meet with the survival committee to ensure that sheep production will be allowed to continue with adequate research and development assistance and that the experimental farm in La Pocatière can remain in operation.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, agriculture is still the basis of the rural economy in Quebec and the rest of Canada. In Quebec, almost 50 per cent of farmers' income comes from supply–managed products such as milk, eggs, chicken and turkey. Industrial milk accounts for 27 per cent of agricultural production in Quebec. Farmers and dairy producers in my riding, whether they live in Marieville, Saint–Césaire, Roxton Falls or Béthanie, are worried.

Under Canada's current supply management system for industrial milk, which was established in 1990, Quebec farmers receive almost 48 per cent of Canadian industrial milk quotas. Forty–six per cent of this milk is sold in the other Canadian provinces, for a total value of $400 million at the farm level and $1 billion on the market. In Quebec, some 2,900 dairy farmers are involved in industrial milk production, while processing translates into some 4,000 regular full–time jobs. This shows how important this sector is to us.

Under the federal budget tabled by the Minister of Finance in February, industrial milk producers in Quebec will lose 30 per cent of their income over two years. This means that industrial milk producers will see their income drop by 15 per cent the first year and another 15 per cent the following year.

How can this budget measure not involve heavy financial sacrifices for farmers and rural communities in Quebec and Canada? How can the rural structure not suffer radical changes? Rural realities are in stark contrast to Liberal government policies favouring the development of new markets and income security for farmers. Paradoxically, according to the federal Liberal government, these budget measures are aimed not only at stabilizing producers' prices and income in light of global trends, but mainly at reducing farmers' dependency on government.

The reality is that the agri–food industry in Quebec and Canada does not carry much weight in international negotiations on market access. In other words, the federal government would rather sacrifice a whole sector of its economy in order to preserve other comparative economic advantages it has managed to negotiate with the U.S. and other industrialized countries. I understand this cold and purely economic strategy, whereby the men and women who make these products are mere statistics. The only thing that counts is the dollar figure on their production.

However, there is a world of difference between understanding something and accepting it. I cannot accept the fact that farmers, whether in Quebec or elsewhere, are victims of the system. I cannot understand why financial speculators now have the upper hand, at the expense of those who have been feeding us for generations.

Some hon. members: Hear, hear.

Mr. Leroux (Shefford): I cannot accept the fact that the government wants to dismantle this system, since it will jeopardize national security in Quebec and in the rest of Canada, and leave us vulnerable to the actions of speculators on international markets.

• (1255)

How many generations of men and women worked to clear the land? Thanks to their efforts, that land is now fertile and it provides us with an abundance of products of all kinds. But the Liberals want to sacrifice that.

Is it because Quebec controls 48 per cent of the industrial milk market that the Liberal government wants to stop providing the basics to dairy producers? Or is it simply that the Liberals in Ottawa are continuing their crusade against dairy producers, through the implementation of detrimental agricultural policies, defined—

The Acting Speaker (Mr. Kilger): Dear colleagues, I ask for your co–operation. I understand that, at times, the debate gets somewhat heated.

Mr. Leroux (Shefford): It is painful for the Liberal Party whip to hear the truth. Yet, he represents an agricultural riding from Ontario. He should understand the issues to which I am referring and which exist in his predominantly French speaking riding.

Since 1958, the dairy industry has always been protected and supported under the Agricultural Stabilization Act, which was passed by a Conservative government. In 1986, Ottawa approved a long–term dairy policy and authorized payments, to dairy producers, of $6.03 per hectolitre of industrial milk having 3.6 kilograms of fats. That policy was implemented under the Conservatives.

In 1991, the Conservative government abolished the Agricultural Stabilization Act and replaced it with the Farm Income

Protection Act. That ended federal support to the dairy industry, since this industry was excluded from the new agreement.

In its November 1992 budget speech, the Conservative government announced its intention to reduce by 10 per cent the level of subsidies to the dairy industry, and to apply similar reductions to all subsidies and payments to the agricultural sector.

Starting with the August 1, 1993 dairy year, and following that decision, the federal government therefore reduced payments to dairy producers from $6.03 down to $5.43 per hectolitre. This is tragic.

So, this Liberal government simply had to confirm the agricultural policy of the Conservatives to gain authority to set the subsidy at $5.43 per hectolitre, starting with the April 1994 to March 1995 fiscal year. The more things change, the more they remain the same.

The Conservatives used to run things and now the Liberals are in office, but things have not changed at all. I am really amazed when I read the government's objective in Part II of the Main Estimates 1995–96, under Agriculture and Agri–Food, Canadian Dairy Commission, on page 2–8, and I quote: "To provide efficient producers of milk and cream with the opportunity of obtaining a fair return for their labour and investment and to provide consumers with a continuous and adequate supply of dairy products of high quality". Is this what a 15 per cent cut in revenue a year will achieve? No.

How inconsistent can the government get? It is as if milk producers are not efficient and are obtaining too high a return for their labour and investment. Go work on a farm for a week and you will see how tough it is, how long the days are in an industry where working hours are not tallied up. Worse still, with this statement, the government is trying to reassure us that the supply of dairy products will not be affected and that consumers will even be able to benefit from this decrease in consumer price. And there you have it. A little something for everyone. What arrogance.

I have a final point to make today.

• (1300)

Why is the federal government, the Liberal government, on the one hand, providing a package of transition measures to the tune of $1.6 billion for owners of prairie farm land in Western Canada because it is terminating the freight–rate subsidies, but on the other hand, is implementing no such transition measures for Quebec farmers? Why have Western producers been given an advantage over their Quebec counterparts?

Why does the federal government always apply a double standard when it has to protect the interests of English–speaking Canadians. Is that not just another sign that Canada is in fact made up of two countries? Is that not a sign that there are two countries in Canada, one in eastern Canada and one in western Canada? The issue is not related to racism, but to the fact that we have always had two different policies, since agriculture is not the same in these two different regions. When we look at things, we realize that Quebec has always been put at a disadvantage.

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, the speech made by the member for Shefford on the impact of the dairy subsidy reduction on farmers was most interesting, but I would like some clarifications. According to my calculations, is it not possible that the elimination or the reduction of this subsidy might result in an increase of up to 30 cents in the price of a pound of butter? Again, it is the working poor who would be hardest hit by such an increase.

For someone who earns $50,000 a year, a 30 cent increase in the price of butter is no big deal, but for a single parent who earns $10,000, $12,000 or $15,000 a year, having to pay 30 cents more for each pound of butter makes a big difference. Is this not what might happen so that, in the end, it is the consumer who will have to pay the price, which means that low–income Canadians will be more directly affected than others?

Mr. Leroux: Mr. Speaker, I thank my colleague for his question. I can only tell members of this House that dairy producers will obviously feel insecure. Other agricultural producers also have their own problems, but I wanted to talk specifically about dairy producers today since we have agreed that we should discuss all sectors of the agricultural industry. In this sector, there will be a 15 per cent decrease in revenues, which means, of course, that prices might or certainly will increase.

I would also like to tell you that farmers, including dairy and other producers, often have to keep investing and taking risks after working for so many years, hoping for better things to come. Before the farmers came the pioneers who cleared the land on which our country is built, and we always had two agricultural policies in Canada because we always had two completely different systems.

As I was saying earlier, Canada and Quebec have two different systems. Once we recognize that fact, it will be much easier to negotiate. I think that Quebec has always been disadvantaged compared to western Canada, and we have the figures to prove it. I am not saying that western producers do not have any problems. Of course they have very serious problems, but so do dairy and other producers in Quebec and they cannot be left at a disadvantage.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, under Standing Order 43(2), I would like to indicate to you that Liberal members will be sharing their allotted time for the rest of the day. Sir Winston Churchill once made in the British House of Commons the following remarks which the Chair did not find unparliamentary: "The opposite of the truth has never been expressed more accurately". That is exactly what I think of the remarks made by the hon. member I just heard.

• (1305)

That Bloc Quebecois member just told us, as you could hear, that there will be a 30 per cent reduction in dairy farmers's income over two years. Mr. Speaker, you heard yourself those nonsensical remarks made by a member of the House. I do not know who wrote the hon. member's speech, but that person should be fired immediately for writing such things. Yes, phone him and fast.

I will now tell all Canadians in my riding, in Quebec and throughout Canada what the facts really are: the milk subsidy is now $5.43 per hectolitre, and it will reduced to $3.80, starting August 1, 1996. This means there will be an 80 cent reduction a year per hectolitre on an income of $54. Could members opposite explain to me how they can suggest that an 80 cent reduction on an income of $54 represents a 30 per cent cut? What kind of number crunchers do they have to come up with such figures?

The hon. member says it is in the budget. Mr. Speaker, the member opposite should check the budget if he believes the figures just given by the hon. member for Shefford. Besides, the 80 cent reduction applies only to industrial milk and not fluid milk.

[*English*]

Assuming a 50–50 split on a farm of industrial and fluid milk, we are talking about an overall reduction of 40 cents a hectolitre on $54. The people across are alleging that it is a 30 per cent reduction in revenue. Forty cents on $54 is less than 1 per cent. That is the way the truth is being described by some hon. members across.

[*Translation*]

No, Mr. Speaker, what we have heard today from the Bloc Quebecois is quite frankly inflammatory and an attempt to scare Canadians. Listen to what the hon. member for Frontenac says in his motion: "That this House denounce the government for reducing the general budget of the Department of Agriculture by 19 per cent and milk subsidies by 30 per cent and for converting—". Now listen to this: if this is true, it means that the reverse is also true of what was said by the hon. member for Shefford, because that is not what he said. I continue to quote the motion: "—and for converting grain transportation subsidies into direct subsidies to western farmers—". And now listen to this: "—thereby enabling the latter to diversify and enjoy an unfair competitive advantage over farmers in Eastern Canada."

I just heard members insisting that farmers from other parts of Canada enjoyed an unfair competitive advantage over those in Eastern Canada.

Now this is divisive politics. The comments we heard from a member a few moments ago are dangerous because they are an invitation to Canadians, on false premises, to hate each other. That is the kind of propaganda we are getting from some of the members opposite, and I do not buy that.

[*English*]

I do not believe that western Canadian farmers have been treated more fairly than farmers from another part of the country. All governments in Canada, be they the Liberal government now, the previous Conservative one or others, may have made mistakes but they have not tried to pit one group of Canadians against the other, the way it is alleged by some members of this House of Commons today. To make that kind of representation on the floor of the House of Commons is nothing short of shameful. It is shameful.

• (1310)

Let us get to the bottom of the issue. Members across the way are talking about the reduction of 80 cents per hectolitre. It is there and I will not deny it. It affects my constituents probably more than the constituents of any other MP in Canada. I have more dairy farmers in my riding than does anyone else in the House. However, the fact still remains that the reduction of 80 cents per hectolitre in subsidy cannot be compared with the total elimination of the Western Grain Transportation Act and the one–time subsidy they will get in the transition.

[*Translation*]

If Bloc members claim that western farmers are treated better and even enjoy an unfair advantage, according to the motion before the House today, why do they not demand instead that farmers and dairy producers be paid three years' worth of subsidies immediately, as compensation for the elimination of milk subsidies? I have yet to see one member of the Bloc request the equivalent of what was offered to western farmers.

Why have they not asked for it, Mr. Speaker? Because dairy producers are better off keeping the remaining 70 per cent of dairy subsidies, as opposed to what was offered western producers.

That is why we did not suggest it and that is why they did not ask for it. In fact, I would not favour this option either. I would rather keep the remaining 70 per cent.

I am not proud of these cuts, Mr. Speaker. No one is glad to lose money. However, we know that sacrifices had to be made to ensure the long–term viability of the agricultural sector and of the whole Canadian economy. Our government made budget cuts, but I do not think it acted unfairly. I am sure it did not want to give anyone an unfair competitive advantage. I would urge the member of the Bloc Quebecois to withdraw the allegation he

made in referring to farmers elsewhere in Canada. It is not at all helpful to debate, and he should be ashamed of making this allegation, Mr. Speaker.

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, I have here an article from *Le Droit* the member for Glengarry—Prescott—Russell is described as "a lion transformed into a mouse".

If farmers had been attacked, or struck, or knocked about when he was a member of the Opposition, the Liberal Party whip would have made the exact same speech as the one he just gave, but in reverse. Here it says that the member from the other side is inflexible in the area of agriculture, he refuses any measure affecting the farmers who make up a good portion of his constituency, including Réjean Pommainville.

I have here a paper, *Farm and Country*, which is the equivalent of our *La terre de chez nous* in Quebec. It says this measure will cost farmers $56 per head of cattle. You heard me right, $56 per head of cattle. Farmers in his riding have 60 head of cattle each on average, and Réjean Pommainville has 75. Multiply these figures by 56 and you will reduce the deficit that the Liberals, among others, have generated year after year since 1970.

I have here notes from the press conference held last week by the president of the UPA, the Quebec Union des producteurs agricoles.

He spoke about the subsidy for industrial milk. I suggest my colleague, the member for Glengarry—Prescott—Russell, phone the UPA and get information on this. I will gladly give him the number if need be, like he did two weeks ago on Sunday when he gave us a phone number where the information given was exactly the opposite.

• (1315)

The UPA's notes say this: $5.43 by hectolitre, a 30 per cent cut over two years; I am honest, I say it. This does not represent 80 cents or even 90 cents. I would invite him to do the calculation: $5.43 multiplied by 0.3 represent a $1.51 reduction by hectolitre.

So, if a farmer has a quota of 2,500 hectolitres, it means a contribution of $3,775 to the reduction of the deficit that the member himself helped to create and, on top of that, he is cutting the transport subsidy for feed, which is estimated at $10 per ton. If this farmer buys 71 tons to feed his cows that will produce 2,500 hectolitres, he will have to contribute $710 more.

So, for the farmers in Glengarry—Prescott—Russell, the average contribution is $4,485. The lion, the member of the rat pack who got to be well known while in the opposition has become a mouse. He should go and meet the people from the UPA, he should visit the live animals auction houses to see the big disappointment that the Liberal budget has created throughout Quebec and throughout rural Canada.

Mr. Boudria: Mr. Speaker, first let me thank the member opposite for quoting the hon. member for Prince Edward—Hastings. In fact, his quote from *Farm and Country* is of a statement by the member for Prince Edward—Hastings. However, he forgot half the sentence. The hon. member for Prince Edward—Hastings did say: "It is true, 80 cents a hectolitre multiplied by 70 hectolitres comes out to $56 a cow". This is true. That is supposing that all of the milk of the producer in question is industrial milk. As the average is usually 50–50, the figures of the hon. member opposite are twice as high as they should be.

I would like in addition, if I may, to talk about the matter of the Coopérative Avicole de St-Isidore. We spoke of the co-operative and of what the Coopérative Avicole de St-Isidore had said. I quote from a letter dated March 27, 1995 to Mr. Don Boudria, written on the Coopérative Avicole de St-Isidore letterhead. I will read the rest and will be pleased to table this in the House: "Due to the rail strike, we no longer benefit from the price guaranteed by the railways. We are forced to buy at market prices, which are 20 per cent higher, thus increasing our production costs. I hope you will be able to remedy the situation. Yours truly, Alain Léger."

This is dated March 27, 1995, that is, last Monday. I therefore say to the hon. member opposite that I have proof in hand that the price of soya was up 20 per cent. If he feels he has evidence to the contrary, he should table it. But of course he has none.

No one celebrates when subsidies are upset, and one sector or another in our society loses revenues. Granted, no one is celebrating, but the cuts were made fairly and equitably by an honest government wishing to do the best possible for Canadians, whether they live in Quebec or elsewhere.

The only thing I find lacking in the speeches by the hon. members opposite is the fact that they did not check with head office. I realize they are just a branch in Ottawa, but cuts were made in Quebec to subsidies and services to the agricultural sector, particularly in research. The hon. members opposite have unfortunately forgotten this.

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, it is a pleasure to take part in the debate today.

• (1320)

I would like to make a few comments at the outset to continue where my colleague from Glengarry—Prescott—Russell left off.

I had the opportunity and the privilege yesterday to spend most of the day in the riding of Beauharnois—Salaberry, where I met with 125 or 130 dairy farmers for a couple of hours after lunch. During that time I spoke to them about what we had done in the budget as far as agriculture is concerned. We talked about the WGTA and the effects of that. I spoke about the changes to the federal support for the industrial milk program. One gentle-

man stood up and said: "Yes, we know all about the budget. We don't have a problem with the budget. We would like to have you discuss with us the challenge the United States is putting forward as far as supply management in Canada is concerned." There were no objections at all to what he said.

That is significant and indicative that the dairy farmers have accepted it. They recognize that we are in a time of tremendous change, tremendous opportunity and tremendous and unprecedented challenges. The key words are that we are in a time of unprecedented opportunity.

I had the opportunity yesterday to visit three family dairy farms in the Ormstown area. They are excellent dairy farms, tremendous dairy farms. They were not milking what I would consider to be a lot of cows. They were getting excellent returns, excellent production, and they were very well–managed farms.

I assured them this government understands and recognizes the importance of those types of farming operations, the importance of supply management, and that we are here to support them.

I will put in context some of the figures the members opposite have been throwing out—yes, throwing out. I can see the member for Frontenac smiling right now. He is probably going to try to quote some more from the newspaper he just quoted from. He is smiling all the more; I know he is. He just cannot wait until I get my 10 minutes in so he can get his 5 in. I would ask him to quote completely.

I was simply stating the facts, that if 100 per cent of the milk from the average cow in Canada today was used in the industrial milk market, the 81 cents per hectolitre would mean $56 per cow. I said in that article, and I believe I was quoted in that article as saying, that yes, we recognize that is not a small amount of money, but we have to put it in perspective. Any decrease in anybody's income is significant. There is no question about that.

However, I want to put it in perspective. For the average producer in the province of Quebec, the decrease in their income because of this change in the support to the industrial milk will be $1,341 based on the production of industrial milk in the 1993–94 dairy year. I am not making light of the fact that this is $1,341. It certainly is considerably different from an addition; it is less.

As I said to the producers I chatted with yesterday, do not underestimate or undersell what they in their industry have done in the last number of years, including the manner in which they have used the genetic gene pool in Canada to increase production and the manner in which they have used management practices to increase production in this country. If we look at what our dairy industry has done in the last 12 to 15 years, they have increased their production by incredible amounts.

I was in a barn yesterday near Ormstown, Quebec. I saw a cow there and she was the best cow in the barn, I admit. If my memory serves me correctly, that cow, in her last 365 days of production, produced 30,000 pounds of milk. When my father sold our dairy herd, a commercial working herd, in the mid–1960s, I do not think my father had a cow that produced over 8,000 or 9,000 pounds.

• (1325)

At that meeting of dairy farmers yesterday—I put this to them—how many people would have thought 15 years ago that we would see cows in Canada, the very top ones, producing 30,000 pounds of milk? The efficiency, and what the industry has done, is absolutely phenomenal. I am proud to say they are not finished yet. Yes, this is a challenge to the dairy industry, but I have every confidence that it is one they can meet and beat.

Leading up to the budget we all said, in all parts of the House, including the opposition in question period, that the budget, in all aspects, must be fair, it must be equitable and it must be effective. When we look at what we have done in agriculture, it meets all those tests.

In question period and in the late show period I have addressed to the member for Frontenac the concern about the WGTA and how it affects the west versus eastern Canada, in particular the province of Quebec. I want to state it again. Let us make it clear that the $1.6 billion ex gratia payment that is being made to the western Canadian grain growers is a one–time payment. It is over. They get no further support on transportation as of August 1 of this year.

The support to the industrial milk portion of the Quebec production as of August 1 this year is still at 85 per cent of where it was before versus zero to the grain export in western Canada. The payment in western Canada is roughly equivalent to ratcheting that payment down at the rate of about 10 per cent per year over the next 10 years.

I have been asked by the minister to lead the consultation that must take place over the next few months as far as what we collectively, the government, the industry and all stakeholders in the industry, do with the support to the industrial milk program as time goes on. As we know, the budget stated very clearly a 15 per cent reduction this year, a 15 per cent reduction next year, but it does not address the size of the amount or if there is money left after that.

The first meeting happened this morning in my office with the chairman of the National Dairy Council. Meetings are being arranged with the president of the Dairy Farmers of Canada, the Grocery Products Manufacturers, the Canadian Federation of Agriculture, UPA, OFA and the different provincial marketing boards so that we can continue having consultations with all of

them to find out how they want to treat the remainder of that as we go forward.

The total support in the last year was about $228 million. That will be reduced 15 per cent this year. It is going to be about $193 million. I point out that out of that $228 million, $106,106,000 went to the province of Quebec. That is because they have 47 per cent of the industrial milk production.

The question is put forward: with the 1981 census being reduced this year, can that be recovered from the marketplace? I addressed that as well in the article, from which the member may quote me. That discussion is there.

The minister has been very clear. He does not wish to make a statement on that at this time. There are ongoing discussions about the cost–of–production formula. In a responsible way, all participants in the dairy industry have taken a look at the recovery of their costs from the marketplace for the farmers for their milk. They did that in a responsible way before. In doing so, they considered what an increase in the price of raw milk to the processors would mean to the processors and what the processors might have to do with the cost of the product they produce for the Canadian consumer.

I want to point out as well that the dairy industry—I believe that is what the opposition is probably hinting at here today—as well as the supply–managed sector, but in particular the dairy industry, is not subject, because of the protection we were able to keep, to the tariffication in GATT, the high levels of tariff, which is deserving. Those producers certainly deserve a return on their investment, on their risk and on their management. The efficient producers deserve a fair return. It is there for them. It is what the level of tariff protection provides for them.

• (1330)

I must also remind members that their production is not subject to the vagaries and challenges as much. Ninety per cent of their production is domestic, it is not on the export market. However the grain producers in western Canada are totally at the whim of world markets. Our supply managed producers are not subjected to that.

They have a tremendous amount of built–in support. It is not something that one can put a dollar value on by getting out a bunch of charts, sheets and graphs and adding up a bunch of figures. It is there. We are proud to have it there. We are going to fight to the last straw the challenge of the United States.

Every indication we have is that GATT overrides NAFTA as far as what we have done in the past. The Prime Minister has told the president of the Dairy Farmers of Canada and the president of the UPA to their faces—the minister and I were present at that meeting—that what we have done as Canadians is right. We are going to fight for it. That is the way we are going to go.

We also have to recognize, and the dairy industry does, that even though reforms have been made, still more reforms will have to be made. The way I have referred to it for a number of years is that they have done it in the past and can continue to do so The dairy industry has shown it can roll with the punches. It has been successful in its genetics management, marketing, and so on. I could go on. The producers are an important link in that chain. The processors are an important link. There is some export. The consumers are an important link.

It is important that every efficient link in that chain has a fair return on investment and the risk involved in the industry. We will fight to maintain that. We look forward to the co–operation of the Bloc Quebecois in doing so not only for the farmers in Quebec but for the farmers in all of Canada.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, I would like to cordially congratulate the Parliamentary Secretary to the Minister of Agriculture for his contribution to the debate today the purpose of which is to expose the unjustness of the particular treatment that the government will unfairly give to the west.

I found it particularly entertaining, since he knows the farming sector so well, when he talked about cows producing astronomical quantities of milk. I am proud to announce that in 1990, the champion milk producer, a Holstein cow, lived in my riding, in the parish of Plessisville.

I would also like to say that the parliamentary secretary certainly must frequent different dairy producers than I do. I have with me a photocopy of an editorial by Claude Rivard which was published in the newspaper *Le producteur de lait québécois*. Mr. Rivard is no small fry. He is the president for Quebec and vice–president of Dairy Farmers of Canada. Obviously, the title of his editorial is "The federal government's heavy hand".

I would now like to contradict what the parliamentary secretary said regarding research and development in the farming sector. Mr. Martin's axe has not just nicked dairy and transportation subsidies. The government has announced that it intends to completely withdraw from all dairy control programs within three years. How can we produce world champion cows with no control in the sector? Research and development are the cornerstones of dairy production.

• (1335)

Had it not been for previous governments investing public funds in genetics and milk recording, we would still be like some Latin American and South or North African countries. Within three years, the federal government will have withdrawn from the industry and be quite proud of itself.

In 1990, the top dairy cow in Canada was in the parish of Plessisville. Yet, in 1995, the government cuts funding. It announces plans to cut it completely within three years.

The hon. parliamentary secretary raised another interesting point in his remarks. He said, and this is true, that, in Ontario, milk production is about 50 per cent for industrial use and 50 per cent for drinking. In Quebec, this is not the case, of course.

Does he not realize that years of relentless work have gone into milk pricing? We are in the process of narrowing the gap and, 16 or 17 months from now, on August 1, 1996, we should have achieved uniformity in milk pricing.

However, by cutting $1.51 per hectolitre off the price of industrial milk, he just increased the price differential between the two again. Of course, milk producers are digging into the temporary equivalent stabilization fund but there is hardly any money left in this fund. I know what is going to happen. The government will boast, saying: "We did not raise taxes; we did not have the heart to do that". It cuts its tax transfers to the provinces, forcing the provinces to cut their transfers to the municipalities and, in turn, the municipalities will be forced to increase our property taxes.

What will milk producers do come August 1? They will go to the Canadian Dairy Commission and ask that the price of their industrial milk be raised. Then, milk processors will raise the price of butter, cheese, yogurt and ice cream by 25, 30, 35 cents a pound. And the government will say: "But we are not increasing taxes". What it takes away from one group, this group has to make others pay for.

Mr. Marchand: Hypocrisy.

Mr. Chrétien (Frontenac): Hypocrisy, indeed, Mr. Speaker.

[*English*]

Mr. Vanclief: Mr. Speaker, I wish the hon. member for Frontenac had paid more attention because I did not say anything about research and development and he rose and said that I had. As far as his comments on genetic evaluation and milk recording are concerned, he should be informed, if he is not already, that the dairy farmers of Canada have been quite willing to sit down with the government to talk about getting involved in the management of genetic evaluation and the milk recording program. They recognize as producers they will benefit from that. The government is working very closely with them on the transition in order for them to be able to do that.

No part of the argument he made explains why he cannot still have the top dairy cow in Canada in his riding, other than the fact that he wants to hold on to his seat because probably someone in the Prince Edward—Hastings riding may very well take that record away from them. There are some very good dairy producers in Prince Edward—Hastings.

I thank and commend the province of Quebec for the role it is playing in the ongoing discussions to work toward a one–pool price system for milk in Canada. Most of the provinces recognize that is the direction in which we are going to have to go and should go in order for us to meet easier the challenges coming from outside the borders of the country.

In conclusion, I would point out to members opposite, as the minister did, that with respect to their reference to the balance between what was done in the WGTA versus the dairy industry, the WGTA reform package is not in any way inconsistent with the position set out by the Quebec coalition on the WGTA in a letter to the minister of December 1994. They are here barking up one tree while their representatives have told the minister in the past that they agree with the manner in which it was handled.

• (1340)

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I would like to inform you that from now on my colleagues and I will be splitting our time.

It is always a pleasure to speak on agriculture, especially when the motion is introduced by the Bloc. I always enjoy the attitude its members take toward agriculture. They know how important it is. I appreciate that even if we do not always agree on certain issues. They know fundamentally that agriculture is the basis of Quebec as it is in western Canada. The Liberals will get educated. Some day they will listen. They are starting to listen already.

On the farm we always say that the pasture always looks greener on the other side of the fence. That is probably true in Quebec as well as in western Canada. Maybe it is time for Quebecers to take a rest from the milking industry, buy some farmland in western Canada and start grain farming. It would be a real pleasure to have them there working side by side. Then they would really appreciate some of the problems that the grain farmers have had in the last few years.

Their non–votable opposition motion says that grain farmers will be enabled to diversify. That is a little harsh or maybe not quite correct. Grain farmers will be forced to diversify. Not very many grain farmers today would love to jump into the dairy

industry or the beef industry and take some jobs and production away from people who are in that farming industry.

I have spoken with a number of dairy farmers in Manitoba during the last couple of weeks. They sometimes look very jealously toward Quebec and say: "Why can we not have some of that quota? They only have one–quarter of the population and have 48 per cent of the milk quota".

I have said to them: "Why do we not solve this whole problem of separation? Why do some of you people not go and buy up some of those dairy farms in Quebec and start farming?" If we could get some of the Quebec dairy farmers into western Canada, maybe the separation issue could be solved. Maybe we could understand each other a little better.

I would much rather have some of the Quebec people come into western Canada and buy some of the grain farms than the Europeans. I make this invitation to them.

The other thing I would like to address today is some of the unfairness that they are talking about. It is not due to the agriculture practices of the farmers. It is due to some of the previous governments' overspending and over taxation. That is causing us some of the problems.

I see some of the hon. members on the other side shaking their heads. They must agree with that. If we can agree on some of these problems, maybe we can find some of the solutions.

An hon. member: The last government was no good.

Mr. Hoeppner: I agree fully with the hon. member but there was a Liberal government before that one that I would say was no good. This is a difference of opinion probably.

Some hon. members: Oh, oh.

Mr. Alcock: I am with you.

Mr. Hoeppner: I am always encouraged when I hear hon. members turning up the tempo a bit. Newborn babies have to scream a lot to exercise their lungs so that they become healthy and viable later. I always feel very glad that I can be of assistance to some of these members.

An hon. member: Watch that—

• (1345)

Mr. Hoeppner: We are getting to them. Just give us another six months and who knows?

I was just going to address some of the unnecessary things that are happening in the farm community, which are hurting us. I would like to read part of a statement made by a witness who was before the Standing Committee on Transportation. He said: "Unnecessary costs should not be recovered from users. Industry has funded, through seaway tolls, close to $35 million in costs that reflect labour inefficiencies, including surplus personnel and termination benefits, double taxation brought about by large corporation taxes and costs associated with tunnels and bridges in the Beauharnois Canal."

I was never aware that grain farmers in western Canada were paying for some of the maintenance costs of some of the bridges across the St. Lawrence Seaway. I find it very hard to swallow that and say it is fair. It is there and it has to be addressed. What politicians and industry are going to do about it I do not know, but it has to be addressed if we want to keep shipping our products through the seaway.

I have another bit of information I would like to read as an example. In the fall of 1990, the Laurentian Pilotage Authority, after negotiations with the pilot association with which it has contracts, agreed to increases totalling 32.12 per cent and 29.6 per cent over three years. That is at least a 10 per cent increase per year.

On the farm during those three years we have seen prices of our products decrease probably by 30 per cent. It is a real hardship for us to absorb some of these costs.

Some of these pilots earn on average from $115,000 to $156,000 a year for about a nine–month year. Nobody in the farming industry has some type of labour contract or wages that come close to that. This is why I am saying that some of the transportation subsidies that have been directed toward transportation are not going to the farmers. They are going to some of the inefficiencies and the high–priced labour as compared to agriculture.

I was really astounded and kind of encouraged the other day when I saw one of the Bloc members ask the question about the unfairness of the 8.9 per cent that was collected by the pilotage authorities from shippers. They received a very bad answer from the minister, as far as I was concerned, because these costs are actually borne by the shippers and later passed on to the producers or the manufacturers who use the shipping lines.

The NTA recommended that there should be a zero increase. The NTA is supposed to regulate these costs. What did this Liberal government do? It overruled it and gave them another 8.9 per cent after the 30 per cent in the last three years. These are costs that we as grain farmers have to observe; not just in shipping our products, but we also have to pay part of the costs of all the steel and all the iron ore that is shipped in to produce equipment.

Those are some of the things that are unfair as far as farmers and shippers are concerned.

I have tried to warn the seaway authorities and especially some of the people on the other side that if things do not change, if they are not turned around, and we receive a fairer equity in transportation costs, the seaway will not see much of the grain in future years that is produced in Manitoba and west.

I would just like to read a little statement from the *Winnipeg Free Press* dated February 19. This is the agricultural writer and he states: "Hello, Mississippi River. Goodbye, Thunder Bay." This is not a farmer saying this.

> The famous American waterway may become the new route for shipping Manitoba grain when Ottawa tackles the grain transportation subsidy policy later this year.
>
> Canadian Wheat Board studies already show that if the influence of Canadian grain transportation subsidies is removed, it's cheaper to ship grain down the Mississippi than through the St. Lawrence Seaway.
>
> Selkirk farmer Rask Klagenberg says farmers will insist on access to the American river.

• (1350)

The House can see that this is not just what farmers are saying; this is something other people are reporting on, and it is a matter of fact. We have to address it.

One thing that really amazes me is why farm organizations have not pointed these issues out so we can address them before we get into such a predicament. I just happened to get a report from Manitoba Pool Elevators or Prairie Pools Inc. This is what they say in their brief: "In 1993 the property taxes paid by terminal elevator owners at the port of Vancouver were on an average five to six times higher than for similar sized terminals in the U.S. port of Seattle". That seems very high already and it seems disastrous as far as grain farmers are concerned.

Now listen to what they say about Thunder Bay: "Property taxes paid by terminal owners at Thunder Bay were more than 25 times higher than property taxes paid for similar sized terminals at the U.S. port of Duluth". How can we be competitive with those types of exorbitant taxes and over–pricing?

They go on further in their report to say: "Canada's two railways pay more than $640 million annually in fuel, sales and property taxes, while the U.S. rail system receives tax incentives to maintain rail services".

Those are some of problems we in the grain industry are fighting with. I hope we can resolve them and that we can keep the jobs in Canada before they are exported to the U.S., which we have seen with a lot of other industries.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, as the Reform member just pointed out, there are two solitudes in Canada. Farmers in his part of the country feel that they are treated unfairly, and so do farmers in Quebec, particularly dairy producers. It is my duty to remind this House of some very eloquent figures regarding federal spending in the agricultural sector.

I randomly selected two years. In 1980, the federal government spent 55 per cent of its budget for agriculture in western Canada, compared to 16.4 per cent in Quebec—I mention the decimal because it is significant, considering that the total percentage is a mere 16 per cent. In 1993, the federal spent 60 per cent in western Canada, compared to 12.4 per cent in Quebec. So, we have 55 and 60 per cent for western provinces, compared to 16.4 and 12.4 per cent for Quebec.

Yet, Quebec generates 17 per cent of Canada's revenues in the agricultural sector. As you know, Quebecers account for 24 per cent of Canada's population. Let us look at a specific agricultural industry, such as potato growing. In terms of cultivated acreage, from 1981 to 1991, there was a 30 per cent increase in the West, compared to a 2 per cent decrease in Quebec. In the case of cattle, the production rose by 4 per cent in the West, while dropping by 13 per cent in the East.

As for hogs, there was a 39 per cent increase in the West and a 16–per–cent reduction in Quebec. Finally, the sheep population increased by 33 per cent in the West, compared to 8 per cent in Quebec. It is the same for every industry. This is what we mean when we say that this western diversification is done with our taxes.

• (1355)

Quebecers will actually pay to face unfair competition. This is what we are denouncing today. And I can tell Reform and Liberal members that every time Quebecers will be treated unfairly, the Bloc will raise its voice loud and clear.

[*English*]

Mr. Hoeppner: Mr. Speaker, I appreciate those remarks, and they are probably very accurate.

I am very concerned that we do not have an environmental catastrophe in Quebec. Because of all the tears that I have seen being shed in Quebec lately, their fresh drinking water might turn into salt water. What are we going to do then? I would hate to see that.

I agree with some of these comments. I would also like to point out that when we look at the total budget of agriculture, which is around 2 per cent, or perhaps even less, of the whole budget, agriculture at least brings back 8 per cent of the gross national product. We provide 15 per cent of the jobs in agriculture. It is a very important sector that we have probably been neglecting, whether it is Quebec or western Canada. I would sure appreciate the Bloc's help rather than criticism in trying to rectify this.

I still maintain that a country is only as strong as its agriculture. The sooner we learn to stand on our feet to take the problems and solve them together, and not through divisiveness, we will have a better country to live in, whether it is Quebec or western Canada. That is what I would really like to stress.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have a question for the member who just spoke.

I have just come from a luncheon here on Parliament Hill in support of the National 4–H Citizenship Seminar, where 4–H members have an opportunity to learn about parliamentary activities. They are young agricultural enthusiasts who can communicate very well to parliamentarians about the need to support agriculture.

Can the member, representing an agricultural area of our country, tell us about his support for Canadian 4–H and how important that program is to all Canadians?

Mr. Hoeppner: Mr. Speaker, I appreciate the question.

I have always been very supportive of the 4–H program. The Reform Party is very supportive as well of that program and also very supportive of any R and D in agriculture. Those two things probably go together.

When it comes to protecting and promoting agriculture, I am never in the backbenches; I am always in the front seat. I will continue that way, and I appreciate having that opportunity.

The Speaker: My colleagues, it being 2 p.m., pursuant to Standing Order 35, the House will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

V–E DAY ANNIVERSARY

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to acknowledge the special effort of a number of my constituents who have joined together to host a very special event in my riding.

On May 6 and 7 of this year the committee will launch High Hopes—Looking Back, Flying Forward, a special 50th anniversary celebration of V–E Day at the Muskoka airport.

This two–day family event brings together veterans, historians, aviation industry representatives, international dignitaries, pilots and aircraft enthusiasts to promote and foster appreciation for all things connected to air travel. The show features appearances by a Lancaster bomber, the B–25 Mitchell, World War I replicas, a C–130 Hercules, plus a Tigermoth and a Grasshopper among others.

The idea was given flight both as a tribute to those who served in World War II and a way to encourage economic activity at the Muskoka airport, which has long been recognized as an important link to our local economy.

My congratulations go out to the promoters of High Hopes for the energy and spirit they have brought to this project.

[*Translation*]

FOREIGN AFFAIRS

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, yesterday, the Parliamentary Secretary to the Minister of Immigration spoke against a motion presented by one of her Liberal colleagues. The motion reminded Quebecers and Canadians that any country or political group that resorts to genocide commits a crime against humanity.

Our amendment used the Armenian genocide which the Canadian government continues to ignore, as an example that such barbaric acts should never be forgotten.

The hon. member was probably bowing to the government's new priorities in foreign affairs, where business interests are now more important than promoting human rights and freedoms in this world.

The government's refusal to review the sale of its CF–5 fighter planes to Turkey, despite the Turkish offensive against the Kurds, is a case in point.

* * *

[*English*]

LACROSSE

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, after reassuring Canadians through legislation that lacrosse remains a national sport, just one year later lacrosse is once more fighting for recognition.

Who did the Canadian people vote to make decisions for them, the 295 MPs elected in October 1993 or those few deciding which sports to fund? Yes, cuts have to be made. However, the guidelines and their implementation for the allocation of funds are unfair.

With one day's notice lacrosse lost 60 per cent of its funding. The process is wrong. Those making the decisions have lost sight of the fact that lacrosse, our national sport, has been ignored for the past 60 years, whereas hockey remains strong because of their constant support.

I remind the House that in 1904 Canada sent its first delegation to the Olympic games. Lacrosse is the only team sport in which Canada has won more medals than the rest of the world combined.

Lacrosse is growing in population yearly, especially after last year's Commonwealth games. Our Canadian youth need our support to keep them playing lacrosse.

* * *

HEALTH CARE

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I was very disturbed by news reports suggesting that a youth in Edmonton

had been refused a place on a waiting list for a lung transplant apparently because he has Down's Syndrome.

Terry Urquhart, a Special Olympics winner, has led a positive and fruitful life within the parameters of his disability. This child and others like him are not to be denied the right, and it is a right, to the same medical treatment and procedures that any other Canadian is entitled to. I was very pleased to learn the hospital has reversed its decision and I compliment it for that.

I am very alarmed about possible implications of this incident on the lives of the disabled. I call on the decision or policy makers in similar situations to immediately reconsider such ill conceived positions. I call on the health minister and the justice minister to ensure this is done.

Let there be no misunderstanding, let there be no mistake, Canada does not have one set of rules for persons with disabilities and another for those without. All Canadians are equal. Discrimination in any form is unacceptable.

* * *

GERMANY

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, as chair of the German–Canadian Friendship Group, I am pleased to have this opportunity to welcome the vice president of the German Bundestag, Hans–Ulrich Klose and fellow delegates.

I am delighted the delegation is able to come to Canada. I hope it enjoys Canadian hospitality and learns about our great country. Canada shares a long history with Germany, a relationship which has grown and strengthened in recent years.

I would like to thank Germany for its support and leadership with the EU councils. Germans have made every effort to help find a solution to the fish crisis which will help preserve the fish stocks on the Grand Banks of Newfoundland.

In 1994 the German presidency of the EU worked more closely with Canada than ever before. Also, thanks to the strength of the Deutschmark, there were more German tourists visiting Canada in 1994 than ever before.

In the name of friendship and continued relations, Wilkommen zu Kanada.

* * *

CORPORAL NEIL BERNARD MCKINNON

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, on March 27 Corporal Neil Bernard McKinnon was killed in a training accident at Canadian Forces Base Suffield. Warrant Officer Kirk Drew suffered serious injuries in this unfortunate accident. Both men were members of the Princess Patricia's Canadian Light Infantry.

Corporal McKinnon was only 24 years old. He served Canada proudly and well as a peacekeeper during two tours of duty in the former Yugoslavia, far away from his home and his family in Sydney River, Nova Scotia. It saddens us all that he paid the ultimate price in service to his country. He truly will be missed.

I ask members of the House to join me in offering our condolences to Neil's family and to wish Warrant Officer Drew a speedy recovery from his injuries.

Some hon. members: Hear, hear.

* * *

[*Translation*]

REFUGEE RIGHTS DAY

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, Refugee Rights Day is celebrated every year in Canada on April 4, to commemorate the *Singh* judgment. This year we commemorate the tenth anniversary of a decision by the Supreme Court of Canada to extend the application of the Canadian Charter of Rights and Freedoms to refugees.

One hundred and twenty–five million people have had to leave their countries or towns as a result of ethnic conflict or civil war, including 23 million refugees who are victims of persecution.

• (1405)

Considering the current backlash against refugees in Canadian public opinion, the government should start a campaign to make the public aware of our responsibility to welcome these people and aware of the need for openness and tolerance and of Canada's international obligations to refugees.

I want to express my support for and solidarity with refugees and the organizations dedicated to defending them.

* * *

[*English*]

FISHERIES

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, for the last 15 years warnings have trumpeted the fact that the west coast fishery was heading into trouble. Therefore, it came as no surprise that the Fraser report concluded the Department of Fisheries and Oceans was completely out of touch with the reality of what happened to the salmon stocks returning for spawning. That fact had been backed up by numerous task forces in the past and continues to this day.

I implore the minister to go back to the generalist format for the DFO officers, to listen to the DFO officers who are working in the trenches, not necessarily the bureaucracy, to enforce the

law equally for all people who are fishing, to ensure that we have a sustainable fishery on the west coast for future generations, and to ensure that what happened on the east coast does not happen on the west coast.

The writing is on the wall. Let us not ignore it.

* * *

HARBOURFRONT CENTRE

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, when it comes to speaking up for Ontario, the 98 Liberal Ontario members sure are quiet. This is especially true for MPs from the city of Toronto.

The Liberal government has decided to eliminate all funding to Harbourfront, a world class cultural centre set up by the Trudeau government. It was originally set up to run in perpetuity by revenues from the original development but, as with most Liberal plans, it fell through.

The Liberals promised funding for Harbourfront but has left it high and dry. The Toronto Liberal caucus chair will not comment about this latest broken Liberal promise. The entire Liberal caucus will not comment on any of the 20 broken promises to Ontario. Why not? It is embarrassed with its record of broken promises, in particular its betrayal of medicare, education and job creation. Rather than account for its betrayal to Ontario it wrongly blames the NDP government.

The people of Ontario are learning their lesson of false Liberal promises as other Canadians have learned first hand. Liberals, Tories, same old stories.

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CANADIAN CANCER SOCIETY

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, it is April and spring is here, at least in British Columbia. The daffodils are in full bloom and so is the Canadian Cancer Society's fundraising campaign.

Since 1938 the Canadian Cancer Society has tried to eradicate cancer and sought to better the lives of people suffering from this terrible disease. Cancer research has resulted in many breakthrough treatments over the years. In 1979 the five–year survival rate for childhood leukaemia was 17 per cent. Today, thanks to advancements in research and rehabilitation, it is 83 per cent. The Canadian Cancer Society also helped to fund the recent discovery of a breast cancer gene that will enhance prevention.

Despite our small victories, the fight against cancer is not over. In 1995 alone 126,000 Canadians will be diagnosed with cancer and 62,000 will die from the disease.

Therefore, this April I urge all Canadians to give generously to the Canadian Cancer Society volunteer who comes their door. Together we can give not only money but hope to the thousands of Canadians suffering from cancer.

* * *

ONTARIO LIBERALS

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I rise today to congratulate my legislative assistant for the past seven years, as he won the Ontario Liberal Party nomination in the riding of Chatham–Kent last week.

Mike Ferguson has provided me and the great people of Kent County with loyal and dedicated service. No problem was too big or too small as he worked one on one with my constituents.

Bob Rae is spending $8 million a day to get re–elected. The NDP's $10 billion deficit is a sorry example next to seven provinces that now have balanced budgets. The Ontario NDP debt is increasing by $1 million an hour. We need a practical, common sense, balanced budget approach which Mike and the Ontario Liberals can bring to this province. A Liberal candidate has now been nominated in every riding in Ontario, while the Conservatives must place want ads to find people to represent yesterday's party.

I wish Mike and all Liberals—

The Speaker: The hon. member for London West.

* * *

• (1410)

EQUAL RIGHTS

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I feel compelled to respond to sentiments expressed by at least one member of the Reform Party regarding the denial of asylum for females fearing genital mutilation. I spoke last fall at the inter–parliamentary union on this topic. Countries cannot use culture as an excuse to deny women human rights. Women's rights are human rights.

Canada's commitment to equality for women is rooted in the belief that equal rights for women are an essential and inherent component of progress on overall human rights and democratic development.

Female genital mutilation in Canada can be prosecuted under a number of sections of our Criminal Code. Female genital mutilation is a brutal expression of patriarchal power. It is child torture.

Canada should and does lead the world with our gender persecution guidelines. These, like many other issues, require understanding and compassion, not rhetoric.

[*Translation*]

SAINTE–MARGUERITE HYDROELECTRIC PROJECT

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, after all the criticism directed by Cree Chief Matthew Coon–Come against the James Bay agreement and Hydro–Québec, it was encouraging yesterday to hear what was said by Montagnais Chief Élie Jacques Jourdain in Washington, where he explained the benefits of the Sainte–Marguerite hydroelectric project for his community.

The agreement between the Montagnais and Hydro–Québec will boost the economy and employment in the region. According to Chief Jourdain, the agreement will protect the way of life and culture of the Montagnais, since the Montagnais' two conditions were met, namely that the agreement will not adversely affect their ancestral territorial rights and will make them equal partners.

I also wish to commend Chief Jourdain and negotiator Konrad Sioui for having the courage to say in public what many aboriginal people think: a real partnership between Quebec and aboriginal peoples is feasible.

* * *

[*English*]

HEALTH CARE

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, on paper we have a health care system that sounds great. The Minister of Health and the Prime Minister are always talking about the five principles in the Canada Health Act—lots of talk with little action.

Our health care system, successfully pioneered in a regional health district in Swift Current, Saskatchewan, is crumbling. On paper health care in Canada is accessible. In reality the waiting lists for major surgery are growing. On paper health care is universal; however, different provinces cover different services and prescriptions in their health plans.

As the population ages, demand for health services is rising while the proportion of people paying for services is dropping. Debt servicing costs are rising while federal health funding is falling. How long will this have to continue before the government takes action rather than reading a paper called the Canada Health Act?

On paper Canada has a world class health care system. In reality when Canadians are sick or injured they have the right to be put immediately on a world class waiting list.

[*Translation*]

NATIONAL EMERGENCY MEDICAL SERVICES WEEK

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, this week is National Emergency Medical Services Week. We want to take this opportunity to stress the vital role played by health professionals in emergency medical services.

Anyone who has ever had to use these services will appreciate what is done by the people who work in this area.

[*English*]

I wish to commend and congratulate the Canadian Confederation of Ambulance Service Associations and its president, Mr. René Berthiaume, for their devotion and enthusiasm as well for their involvement in national emergency medical services week.

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CANADIAN VOLUNTEER ADVISORS TO BUSINESS

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I rise today to inform the House about an act of generosity that was rendered by a citizen of Canada and a constituent of mine. Mr. Brian Oxley of Scarborough travelled to Romania to help and advise local manufacturers engaged in glass production.

Mr. Oxley was a volunteer advisor working overseas for Canadian Volunteer Advisors to Business, otherwise known as CESO. Since it was founded in 1967, CESO has been providing Canadian volunteer advisors to businesses and organizations in Canada's aboriginal communities, developing nations and emerging market economies in central and eastern Europe.

CESO volunteers are skilled Canadians, men and women, usually retired, who willingly share their lifetime of practical experience with those who need it most.

This merits congratulations to all concerned. I congratulate Mr. Oxley for his outstanding contribution.

* * *

AGRICULTURE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, yesterday I asked the minister of agriculture whether farmers who deliver grain to the elevator before July 31 will have to pay the full freight rate for their crop if it is not shipped out of the elevator until after August 1.

• (1415)

The minister confirmed that farmers who sold their grain to the Canadian Wheat Board and delivered it to the elevator

before July 31 will end up paying the full freight rate if the grain was shipped to the terminal after August 1.

This position was not made clear in the budget. Farmers were led to believe that as long as the grain was in the elevator by July 31 the Crow benefit would apply. Now farmers find out this is not true. They may be stuck with paying the full freight rate even if their grain was in the elevator before July 31 deadline.

The minister should have been straightforward with farmers about this deadline in the first place. Farmers will end up paying the full freight rate on some of the grain they deliver before the end of this crop year.

ORAL QUESTION PERIOD

[*Translation*]

SOCIAL PROGRAM FUNDING

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the budget announced a series of reforms that would consolidate transfer payments as a single payment—considerably downsized, by the way—the Canada Social Transfer. This announcement reflects Ottawa's disengagement from social programs financing. Instead of giving the provinces this much vaunted flexibility and autonomy, it wants to impose new national standards for health care, social assistance and post–secondary education.

How can the minister claim that his government wants to ensure that all Canadians have access to adequate services, when at the same time it substantially reduces its commitment to social programs by transferring its financial responsibilities to the provinces which already have serious financial problems?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the provincial Premiers and all provincial governments are now analysing their respective programs, and we have done the same at the federal level. Everyone realizes that as far as government spending is concerned, we must reduce the pressure on the taxpayer. We have informed the provinces of our position. They have been aware of that position since December 1993, when we told them that we would eventually introduce a system but would give them two years to get ready.

In the February budget brought down by the Minister of Finance they were informed of the nature of federal cuts. The provinces had already made some cuts of their own, and they will continue to do so because we believe that at all levels of government, it is possible to offer the right kind of service without spending as much as we did in the past.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, how does the government expect to be taken seriously when it says it wants to co–operate with the provinces, when it excluded them from the forum on health, for instance, and the budget's enabling legislation gives them no more than a purely advisory role in defining national standards?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, first of all, I have to say to the Leader of the Opposition that as far as the forum on health is concerned, we said no, we did not want the provinces to be there. Later on, we invited them, but they refused to come.

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): Now listen, they persuaded me to invite them, and then the opposition asked me to invite them. I was very nice about it, so I did. Once they were invited, they decided not to come. Do not blame me, I listened to you. Blame them.

As for the remainder of the hon. member's question, if we want to have national standards across the country, which is normal, it is because of manpower mobility in Canada and also because we have a minimum of respect for all members of the Canadian community. We must establish a satisfactory minimum for all Canadians across the country in the areas of health care, social assistance and similar services.

The Speaker: My dear colleagues, may I remind you to address the Chair in your questions and answers?

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the provinces are told: «We do not want you around». It was their understanding that they were not wanted.

How can the Prime Minister talk about flexible federalism when he threatens to cut federal contributions even more if the provinces do not respect national standards for the Canada Social Transfer? In other words, will he have the courage to put his cards on the table at a federal–provincial conference?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we had occasion to discuss that at the different federal–provincial meetings I had with the provinces, along with the Minister of Finance and the Minister of Human Resources Development.

Generally speaking, provinces recognize we have to reduce the cost of these programs. The best way to do that is by collaboration between the provinces and the federal government. We have to reduce our spending.

• (1420)

As I explained earlier, when some provinces including Quebec cut $500 million in health services in December they were not returning any of that money to us even if we had made a strong contribution to that level of payment.

[*Translation*]

FISHERIES

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, the Minister of Fisheries and Oceans has confirmed that Canada and the European Union reached agreement in principle yesterday in the turbot dispute, subject to approval by cabinet and the officials of the European Union. With Spain and Portugal's rejection of it, the European Union has called for the reopening of the agreement in order to wring even more concessions from Canada and thus bring the negotiations to a standstill.

Could the Minister of Fisheries and Oceans confirm that the European Union, under pressure from Spain, in particular, has rejected the agreement in principle, thus bringing us back to the starting point?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the member for his question.

I can confirm that what has just been proposed is not correct. Negotiations as we speak are ongoing in Brussels. Good progress is being made. I understand there has been a report, which no doubt the member has seen, which in effect states that the EU has rejected the draft agreement. This is not correct. Good progress is being made and Canada hopes that in due course these negotiations will conclude successfully.

As we have always said, our first and primary interest is and remains an effective conservation regime and the means to bring about proper enforcement to protect these straddling stocks.

[*Translation*]

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, how can the Minister of Fisheries and Oceans appear so optimistic about the outcome of the negotiations, when the Spanish prime minister, Felipe Gonzalez, said that Spain was definitely rejecting the terms of the agreement in principle?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is because Canada is negotiating with the European Union. It is a bilateral negotiation involving Canada and the European Union. Negotiations continued non–stop through the weekend. Progress was made each and every day through the weekend and continues even today. It is a matter for the European Union to deal with the views whether they be unanimous or not of each of the member states.

With respect to the negotiating table, Canada and the European Union sit at that table and progress to this point is being made.

HEALTH CARE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, there seems to be growing confusion throughout the country concerning the federal government's intentions with respect to health care funding.

The health minister and the Prime Minister have both hinted that funding could be reduced by up to $16 billion or 2 per cent of GDP and that Canadians in future will not receive the same degree of coverage that they have in the past. At the same time, the government has also suggested that health care funding should be simply frozen or flat lined.

My question is for the health minister. What precisely is the government's agenda for reforming health care, in particular reforming the scope of health care services and health care financing?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, while the direct responsibility for health care remains with the provinces, we intend to continue to enforce the principles of the Canada Health Act. That act has given us one of the finest medicare systems in the world.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I asked the minister to reduce the confusion caused, not to add to it.

Last month the Prime Minister spoke in favourable terms about bringing Canada's health care spending more in line with that of European countries. The Prime Minister must realize however that almost all of those European countries to which he refers have a private health care backup to the public system which is how they get more bang for their health care buck.

• (1425)

Does the health care minister support the Prime Minister's recommendation that Canada's health care funding should become more like that of Europe? Does she have a concrete plan for bringing that reform about?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, of course I support the Prime Minister. The Prime Minister has repeatedly said that this country will continue to have a universal medicare system.

Thirty–two years ago today our Prime Minister was first elected as a member of Parliament to the House of Commons.

Some hon. members: Hear, hear.

Ms. Marleau: Mr. Speaker, during those 32 years our Prime Minister was present for the creation and the building of the best medicare system in the world. Our Prime Minister has nothing to learn from the Reform Party which advocates two–tier medicine.

Some hon. members: Hear, hear.

Mr. Speaker: The hon. member for Calgary Southwest.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, that sounded more like a job security speech to me than a health care issue.

In a March 15 speech the Prime Minister promised to uphold the five pillars of medicare but he could not tell his audience how he would do it. In a March 4 speech the health minister encouraged the provinces to experiment broadly with health care delivery and yet refused to say what powers the provinces would be given to do that job.

My last question is for the finance minister. How long will Canadians have to wait before the government presents a concrete blueprint for health care reform? How long?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I wish the Reform Party would listen instead of preaching all the time.

From the very beginning we have been very clear. Yes, there is flexibility providing we maintain the principles and we keep a system which serves all Canadians regardless of whether they have money or not. Our system has to be based on need. What the Reform Party is advocating is a U.S. style of medicare, a system for the fit and fortunate.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister. In a speech yesterday at the Canadian Club in Toronto, the ex–president of the CBC, Tony Manera, showed that cutting the CBC's budget by more than one third will seriously jeopardize the current mandate of the Crown corporation. At the same time, the new president of the CBC, former Conservative minister Perrin Beatty, said in reference to the cancelling of entire programs at the CBC that we are running out of time to make difficult decisions.

Will the Prime Minister confirm that his new appointee to the helm of the CBC is ready and willing to cut as much as one third from the CBC's current budget and to lay off between 3,000 and 4,000 employees?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, cuts of four per cent for this year were announced in the Minister of Finance's budget. In fact this is not out of proportion, compared to cuts we were forced to make in other sectors.

We also decided then that we had to review the CBC's mandate and that of other related organizations in order to determine how to adjust to today's realities with today's financial means, and in order to determine the kind of television network we need in order to be competitive in the 21st century.

• (1430)

When the CBC was created, Canadians only had access to two television channels; now they can access between 100 and 200 channels. In the near future, we will be setting up a committee to align the CBC's mandate with today's and tomorrow's realities, and working from the revised mandate, we will determine a budget enabling the CBC and other similar organizations to reach their new objectives.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, does the Prime Minister realize that the CBC has already been hit by previous budget cuts, is being hit by those contained in the current budget and that it will also be hit by future budgets?

Has the Prime Minister considered whether the deep cuts that he is planning to impose on the CBC, which will apply indiscriminately to the English and French networks despite the fact that the French network outperforms the English one by a long shot, will seriously jeopardize the mandate and future of Radio–Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have always recognized in the past the necessity of having a French radio and television network in Canada. Might I add that the CBC's budget is divided. The French radio and television network receives a proportionally higher share of funding than the francophone population would have warranted. We want to continue giving good French language service to Canadians from coast to coast. But this budget must be adjusted to take into consideration today's realities and the new mandate we need to give, given that competition is no longer limited to just one network but now involves hundreds of networks. We must give an appropriate vocation to both the English and French networks of the CBC.

* * *

[*English*]

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, my physician colleagues tell me that the Canada Health Act is outdated.

For example, the Canada Health Act is supposed to provide reasonable access to health services yet in Manitoba people are waiting 60 weeks for hip replacement. In Saskatchewan people are waiting 30 weeks for cataract surgery. Quebecers have to line up behind 1,460 patients for hernia surgery.

Will the minister responsible for these waiting lists define reasonable access so that Canadians will be protected by the Canada Health Act?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, my understanding is that Canadians have been protected by the Canada Health Act.

Yes, there are pressures from time to time in different areas. However, the Canada Health Act ensures that these pressures are addressed by the individual provinces. When we see long waiting lists, provinces move in very quickly and public opinion forces them into doing what is right, ensuring that the needs of their citizens are met in a good manner without people having to pay to get to the head of the line.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, reasonable access is not the only Canada Health Act pillar that has crumbled. Let us look at the minister's arbitrary definition of user fees.

The minister says Alberta allows user fees; naughty, naughty, naughty. However at the Eastern Kings Memorial Hospital in Nova Scotia patients must pay for stitches, anaesthetic and syringes. Does the minister responsible for this arbitrary legislation not agree that patients having to pay for these things makes it a user fee?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the letter which I sent to all provinces interpreting the Canada Health Act and user fees applied to all provinces in this country. That is the way we implement federal legislation. Medical necessity has been defined by medical associations, provincial governments and in some cases the courts.

* * *

• (1435)

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

We now know that the minister, who had announced himself, with great fanfare, Mr. Manera's appointment at the helm of the CBC last year, was not even consulted by the Prime Minister before the appointment of the new president of the CBC, Perrin Beatty, was announced.

In light of the fact that he was totally excluded by the Prime Minister from the decision–making process regarding the appointment of Perrin Beatty as the new president of the CBC, will the Minister of Canadian Heritage acknowledge that this was a sign that the Prime Minister and the federal Cabinet have lost confidence in him?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member's statement is unfounded, completely unfounded. I raised the issue with the minister first, before bringing it to Cabinet. I think this was more than a month before Mr. Beatty's appointment.

I think that the hon. member's information—Long before the budget was tabled, Mr. Manera had asked to be replaced for personal reasons. He called us weeks before the budget was tabled to say that he wanted to leave for reasons of his own and that his resignation had nothing to do with the budget. He actually handed in his resignation before the budget was even tabled.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my supplementary is for the Minister of Canadian Heritage.

Are we to understand from the Prime Minister's answer that the heritage minister's inability to meet his obligations to the CBC is what led him to abdicate his duties as the minister responsible for this major Crown corporation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I understand the hon. member's problem. Her supplementary was prepared before I gave my first answer.

I said previously and I repeat that Mr. Manera resigned long before the budget was tabled. I mentioned Mr. Beatty's name for the first time weeks before his appointment was made public.

* * *

[*English*]

HEALTH CARE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, once and for all I want to end this fallacy. We in the Reform Party in no way, shape or form are in favour of an American style health care system. We will fight against it every time.

The Canada Health Act faces a grim future. It is supposed to guarantee reasonable access yet in British Columbia a person in severe pain has to wait 13 months for a hip transplant.

Will the Minister of Health review the act to provide a working definition of reasonable access?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I am quite pleased to hear that the hon. member is in favour of medicare as we have it in Canada. I suggest though that he speak with other members of his party who do not appear to share his views.

We will continue to insist that the Canada Health Act remain in place. It has served the people of Canada very well. It will continue to do so despite the protestations of the people from the third party who have absolutely no understanding of what it is like to be ill and not have the money to be treated. We refuse to allow our system to go back to that kind of inequity.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the minister cannot tell me, an emergency room physician, that I do not know what is happening to sick people in this country.

You cannot tell me that people who are waiting 48 hours to get into an ICU are not suffering. They are suffering. Go into the hospitals and find out. I will take you by the hand and show you.

Some hon. members: Oh, oh.

The Speaker: I would ask the hon. member to please address the Chair in his comments and I would ask him to put his question.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, because of the void that we have, private companies are now having to offer to people on waiting lists to get their medical services done in the United States. Canadians are forced to pay for private insurance to have this done.

• (1440)

Will the minister amend the Canada Health Act to enable the provinces to get their health care financing under control?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, first, I will not hold his hand. Second, I have not heard this much self–serving rhetoric in a long time.

We do not have to amend the Canada Health Act to allow the provinces to get their fiscal houses in order. As a matter of fact, it is very important that we maintain the principles of the Canada Health Act as we all get our fiscal houses in order so that we can remember who we are here to represent. It is the people, all kinds of people; wealthy people, sick people and everyone else in the country.

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[*Translation*]

PURCHASE OF EH–101 HELICOPTERS

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Prime Minister. The Canadian government is currently negotiating with the Agusta company the compensation to be paid following the cancellation of the EH–101 helicopter contract worth in excess of $5 billion, which, despite the cancellation, has already cost half a billion dollars. As a result of the investigation into the murder of a Belgian government minister, Agusta is now in hot water in Belgium for alledgedly paying $12 million in bribes in connection with a contract to purchase helicopters for the Belgian army.

Given the allegations of corruption made against Agusta, does the Prime Minister promise to suspend all negotiations with this company until the government has completed a judicial inquiry into the circumstances surrounding the EH–101 contract agreement, as the Minister of Human Resources Development called for on April 13, 1993?

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, negotiations have indeed been undertaken but, since legal proceedings are under way, I think it would be inappropriate to comment publicly at this time.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I had hoped that the Prime Minister would answer my question. I do not think it is inappropriate to initiate discussions.

Since Agusta is under investigation in Belgium and Italy for influence–peddling, corruption and arms smuggling, how can the Prime Minister justify continuing negotiations with Agusta without first looking into this company's profits in the Canadian helicopter deal?

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, first of all, in the preamble to his question, my hon. colleague said that discussions should be held, but a little later he says that negotiations should not be undertaken. He should first make up his mind; then, we will talk.

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[*English*]

PUBLIC SERVICE

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, my question is for the President of the Treasury Board.

When the public service downsizing initiative was announced last month, the government committed to ensuring that departmental officials at the local level would be given the flexibility necessary to adjust staff and program requirements prior to final regulation and legislative proposals.

Would the minister please update members on what steps have been taken to ensure that local management has the ability to respond to individual and community needs in the downsizing exercise?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, in carrying out the downsizing which has been necessitated by the reduction in programs and services arising from the government's need to meet its deficit reduction targets, we have established labour–management committees in different communities across the country to help assist our employees in their adjustment from the public to the private sector.

Furthermore, we have given flexibility to the departments. I would trust that the departments would consult with regional councils so that the downsizing can be managed within the context of a region as well as meeting the needs which are set out in the budget.

Let me assure the hon. member that we will deal with our employees, those who are departing and those who are remaining, in a fair and reasonable way.

• (1445)

GOVERNMENT SPENDING

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Prime Minister.

Yesterday I asked why Glenda Simms, the past president of the Canadian Advisory Council on the Status of Women, was being kept on the government payroll and going on irrelevant junkets when her position is now defunct. The Prime Minister responded by saying that he was giving her time to adjust to the new reality.

The government is throwing 45,000 civil servants out of work. They, like many other Canadians, will have to adjust to their new reality, so why does Simms get special treatment? Is this another example of Liberal double standards?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, on the contrary, the President of the Treasury Board has made sure the people who are to be let go because of the cuts will have good payments made to them. An agreement was negotiated by the union to make sure there will be some help for them to adjust.

It is part of the policy of the government to make sure it is not the end from one day to the other. We do that for all the bureaucrats and for that woman too.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, 45,000 civil servants did not get a trip to the Philippines to have fun in the sun.

The government appointed Simms in January when it knew it was going to disband the Canadian Advisory Council on the Status of Women. Simms wasted taxpayers' money on questionable expenses during her tenure as head of the council. Now the government is allowing her to waste even more money on this needless and frivolous trip to the Philippines.

Will the Prime Minister demonstrate to Canadians he cares about government waste, cancel the junket and terminate Simms appointment?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, Dr. Simms, at the invitation of international agencies, has been invited to speak on Canada's very fine programs to ensure equality for all people, including employment equity for women.

She has also been asked to address the issues of sexual harassment in the workplace, for which Canada is doing a fairly good job to date. She is addressing these programs and policies in the Philippines where she has been invited to speak. The Minister of Foreign Affairs has agreed that Canada, as a role model, should speak in international fora of this nature. We are very proud she is going to represent us.

[*Translation*]

BURUNDI

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Yesterday, the President of Burundi alluded to the threat of a double genocide when he said that something must be done about the similarities between the current situation in his country and what happened in Rwanda. Four hundreds Hutus, mostly women and children, are said to have been slaughtered last week by the Burundese army and by armed groups of Tutsis, in the Gasorwe region.

Will the minister tell us what the Canadian government intends to do following the plea for help made by the Burundi President?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member will understand that any solution to the precarious situation in Burundi must absolutely be based on a reconciliation of the parties involved.

This is why the Union of African States, as well as the Francophonie, which met in Paris last week, decided to send ministerial missions to meet with the parties to try to make them understand that reconciliation is essential. We are confident that these preventive diplomacy efforts will give positive results.

The hon. member is seeking a military solution, but that is not what government authorities want. The hon. member's suggestion has not been made by government authorities. The solution proposed by the ministers of the Francophonie is precisely the one requested by the Burundi government official.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, does the minister recognize that, beyond the nice assurances and comments on reconciliation, it is urgent to take concrete action, which includes the rapid setting up of a monitoring group in Burundi, as requested by the Burundi ambassador to Canada?

• (1450)

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I just said to the hon. member that, even though the Burundi ambassador may have made such a request, Burundi government officials did not.

I just got back from a meeting of ministers of the Francophonie, where the Burundi situation was discussed and where we heard from a representative of the government of Burundi. What that government official asked for, and what we will do, is this: first, send a ministerial mission to attempt a reconciliation; second, send a group of experts to help local authorities solve their problems; third, provide humanitarian assistance, as Canada is always prepared to offer, to non–governmental orga-

nizations helping the civilian population affected by the conflict.

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[*English*]

WAR CRIMINALS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, in January of this year the government announced that war criminals living in Canada would be deported rather than prosecuted for their crimes against humanity.

This is a shift in policy from 1987 when the Liberal Party endorsed a made in Canada solution to Nazi war criminals.

My question is for the Minister of Justice. Why has the government given up on the idea of prosecuting Nazi war criminals in Canada?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, by far the preferred way of approaching such cases is to initiate criminal prosecutions.

However, a couple of things have happened since 1987. First, the provisions in the Criminal Code that were added at about that time to provide for such prosecutions have been tested in court proceedings and interpreted by the Supreme Court of Canada.

Second, the nature, quality and availability of the evidence in such prosecutions has diminished in the years since 1987. When we came to office we came with a determination to do something about the moral imperative of removing such people from our midst.

We looked at the possibility of criminal prosecution and determined that in view of the interpretation placed on the provisions of the code by the Supreme Court of Canada in Finta and in view of the state of the evidence in these cases, the best approach for achieving the moral imperative in a practical way was to institute civil proceedings by the Department of Citizenship and Immigration. That is the step we have taken.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have been here for 18 months and in all areas of crime we would like to see some justice. I am still waiting. We have not seen justice yet.

Earlier this year the Minister of Justice said: "War crimes investigators have evidence that 12 suspects are living in Canada". However, the government is only pursuing four cases in order to test the legal waters.

The longer the minister waits, the more unreliable the evidence is going to be. Why is the minister not pursuing all 12 cases immediately?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member is quite right. These cases must be undertaken as soon as possible. We are starting with four cases. We have identified eight others as appropriate for proceeding in this same way. We have eight counsel under the lead of a senior justice counsel dealing with the four cases that are already before the courts. As soon as we possibly can we will initiate the others.

We started with four cases that we believe in some important respects will clear the way by creating legal precedents that will make it simpler to proceed in the other cases.

I fully agree with the hon. member and we will commence the balance of the cases at the earliest possible date.

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TRADE

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is for the Minister of Industry.

In order to create jobs and stimulate small and medium sized businesses in a new, innovative economy, we need new approaches to equity capital.

What is the government doing to create a new environment for encouraging Canadians to invest in their own country and its technological excellence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I would like to thank the member for Durham for his continuing interest in the issue of capital formation with respect to small and medium sized businesses, especially in the new economy areas which he knows require both investment in technology as well as in skills development.

• (1455)

It is a key issue. In keeping with the approach that the government announced in the orange book of assistance to business, our objective is to create a framework in which business will succeed. We are looking to the private sector for the kinds of linkages and sources of funds that are important. In addition we have a tax system in place that encourages innovation and investment in R and D.

The R and D tax credit, the creation of the Canada community investment plan as well as Industry Canada are pursuance of our macroeconomic agenda. It will ensure that we understand the needs of small business and that we make the appropriate linkages and partnerships that are available. They are the keys to solving these problems.

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[*Translation*]

HEPATITIS C

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health.

Yesterday, the Minister of Health said with respect to hepatitis C, and I quote: "I can tell you that the hon. member recognizes that there are many jurisdictions involved in this issue. We are eagerly awaiting Justice Krever's recommendations on contacting individuals infected with hepatitis C".

How can the minister justify the decision not to trace hepatitis C carriers before 1990 by the fact that there were several jurisdictions involved, when the decision made arbitrarily at the time to stop traceback was made by the Red Cross alone?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I would like to say that Health Canada is responsible for monitoring the safety of blood products. It is true several jurisdictions are involved, especially the provinces, which have a responsibility with respect to traceback.

I must say that a number of provinces have started to get involved in hepatitis C traceback, including British Columbia and a number of hospitals in other provinces.

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[*English*]

EXPO 2005

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, two Canadian cities are competing for the right to bid on hosting Expo 2005. They are anxiously waiting for the heritage minister to announce which city will win that right. The minister said he would announce his decision by the end of March. We are still waiting.

A lot of citizens have worked hard on these bids. Will the minister end the suspense here and now? Is it Calgary or Ottawa?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, consideration of this issue is making good progress. It has now reached ministerial level where it is being discussed.

We are quite conscious of the great anxiety of the bidding groups. They shall be informed of the results of the ministerial consideration as soon as possible.

* * *

THE BUDGET

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is for the Minister of Finance who I think will agree that his budget has taken us down an unprecedented course.

Some hon. members: Hear, hear.

An hon. member: There will never be a Liberal elected in Saskatchewan again.

Mr. Riis: There was no significant change in monetary policy in the budget. There was tinkering with the tax system only in terms of reform. The main thrust has been through massive cuts to social programs, actually all government programs.

Presuming that this is to lead to economic prosperity and job creation, will the minister tell us what country and what government he used as a model to demonstrate that this approach actually works and is successful?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I would like to congratulate the hon. member for having begun his question so well.

We engaged in an analysis of Canada's economic needs, the circumstances within which we found ourselves and the government's overwhelming commitment to see job creation made the priority focus of the country. I think that is the reason why the budget has been so well received. It is as a result of this budget that the economic recovery will continue and Canadians will begin to do in the context of the rest of the world what we as Liberals have always felt they could do, and that is to take on anybody.

* * *

• (1500)

AGRICULTURE

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, farmers and companies in the agri–food sector in my constituency of Lincoln recognize the change taking place in the Canadian agricultural sector, in particular the need to expand our export markets.

Canadian farmers are looking to this government to ensure international agricultural trade reaches the $20–billion level by the year 2000.

Will the minister of agriculture explain what tangible results Canadian farmers and the agri–food sector expect from his recent visit to Chile, Argentina and Brazil?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, yesterday I returned from a 10–day trade mission in South America, visiting the countries referred to in the question. It was a most successful trade mission, particularly because it not only involved representatives of the Government of Canada but also representatives of three provinces, Quebec, Alberta and Saskatchewan, plus representatives of close to 30 leaders of Canadian farm organizations and Canadian agri–businesses. It was truly in the spirit of Team Canada referred to by the Prime Minister.

There were some specific transactions concluded by the business delegation during the course of the trip. A foundation was laid for many more transactions in the future. We made progress on issues such as trade–distorting export subsidies and vital sanitary procedures.

We discussed Chile's succession to the NAFTA as the fourth amigo. We were expanding Canada's trade horizons with respect to grain, pulse crops, alfalfa, livestock, meat, animal genetics, agriculture technology, processed foods and agricultural equipment and machinery.

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PRESENCE IN GALLERY

The Speaker: Colleagues, I wish to draw to your attention the presence in the gallery of Mr. Hans–Ulrich Klose, Vice–President of the German Bundestag and three of his colleagues, members of Parliament.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

Mr. Sarkis Assadourian (Don Valley North, Lib.): Madam Speaker, yesterday in the debate in this House, Private Member's Business, Crimes Against Humanity, on page 11375 of *Hansard*, I used the figure "300,000 intellectuals". That should read 3,000. I made the error and I hope to have it corrected in the next *Hansard*.

The Acting Speaker (Mrs. Maheu): It will be corrected.

GOVERNMENT ORDERS

• (1505)

[*English*]

SUPPLY

ALLOTTED DAY—AGRICULTURE

The House resumed consideration of the motion.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Madam Speaker, I was not very surprised reading the text of the Bloc motion that we are addressing today because I find that its members are following their usual strategy of being vexatious and provocative, trying to pit Canadians against Canadians. They do this under the pretence of representing their constituents, but I do not believe that Quebecers as a group do not believe in fairness. By and large, they are like the rest of us. What we are seeing here is a classic example of what the Bloc does in this place day after day after day.

I asked a couple of Quebec members from the other central Canadian party how they felt about the fact that the Bloc engages in this type of rhetoric. I asked them if they were at all embarrassed by the constant whining and by these efforts to put out their hand for more and more. The answer that I got from these other Quebecers was: "Yes, it does embarrass us".

Let us take a look at this terrible abuse that we hear is being heaped upon those Quebec dairy farmers with their guaranteed 40 per cent share of the domestic milk market in Canada. Yes, they are going to have their subsidies cut; they are going to be cut by 30 per cent over two years. Therefore, their $217 million subsidy will be cut by $57 million.

What the hon. members from the Bloc neglect to mention is that all the dairy farmers in Canada do not reside in Quebec. The rest of us have cows too. We are going to be losing our pro rata share of that same subsidy, which is causing this inordinate amount of whining.

On the other hand, the Crow benefit is not going to be phased out gradually. We are not going to lose just a few percentage points per year over any given period of time. It is going to be cut by 100 per cent immediately and forever.

Mr. Solomon: Shame on the Liberals.

An hon. member: Shame.

Mr. Morrison: Shame on the Liberals. There is going to be a $1.6 billion buyout. This buyout is equivalent to what the subsidy has been paying over each three–year period, or would have been paying over the next three years. After that, nothing. But the dairy farmers will still be in there for 70 per cent of their subsidy. If this is inequitable to Quebec then please help me here. What would they regard as equity?

There is another little cute trick in the budget, which I have not heard the Bloc mention. That is the Feed Freight Assistance Act for feed grains to the eastern part of Quebec as well as the Maritimes. We are talking about Quebec here. That is going to be phased out over a 10–year period.

It now appears, from the rumours I have been hearing, that this is not even going to begin for another year. There is going to be a one–year moratorium on phasing out the FFAA. All this means is that we will continue in the west shipping our feed grains to Quebec to be turned into beef and milk products, whereas if we did not have this subsidy to work against us, we could do it at home more economically and export the finished product. However, that is not the way Canada works. We are still locked into the old colonial system where the two central Canadian provinces get the milk, the grass is eaten in western Canada, and we all know what happens in the Maritimes.

• (1510)

This motion speaks about diversification and the fact that because we are going to get this buyout on the Crow rate it is going to be a great encouragement for us to diversify. In my riding farmers have been diversifying for the last few years, not because of the availability or lack of availability of subsidies, but in response to market forces. They are growing crops they never grew before.

When I drove around my riding last summer I saw canola, lentils and even sunflowers—big acreages of them. These are not native to my part of Saskatchewan, but we are swinging over

to them in order to profit from the market that is out there and to get away from our low–priced product, which is wheat.

In conclusion, I want to digress a bit from agriculture and talk again about the question of who gets what out of Confederation. I am sure that hon. members of the Bloc are aware of a recent study that indicated that over the last ten years Quebec has had a net benefit of payments in, over–taxation out of $168 billion. During that same period the province of Ontario has come up short by $45 billion. Do not let us ever forget that my neighbouring province of Alberta, during the days of the national energy policy, had to forgo $90 billion in revenue in order to support the economies of the two central Canadian provinces. I find it more than passing strange that those of us who want to hold our country together, who care about this country, are the ones who have been paying the bills, and the people who want to tear it asunder are the ones who have been benefiting the most economically from Confederation. They are saying, in effect: "We want to be free; we want to go it alone, but please, keep giving us money".

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, the distinguished colleague who spoke just before me, a member of the Reform Party from the west, criticized the members of the Bloc Quebecois for defending our country, Quebec. I would like to give him a short history lesson.

In 1837, the Government of Quebec was dissolved from London. Three years later, in 1840, Lower and Upper Canada were united—an easy matter because there was no longer a government in Quebec. The problem, however, was that Quebec was thrifty and did not want to go into debt like the government has since 1970, surely and consistently. Quebec was only 85,000 pounds in debt, while Ontario was 1.2 million pounds in debt.

As there was only one government to decide—the government of Ontario—it was decided that the two debts should be combined into a single one. This is how Quebec has been treated for years. Today, they have the gall to blame us for criticizing injustices. I will not take it. I will not.

• (1515)

Producers in the three western provinces are being offered $1.6 billion, interest and tax free, in compensation for the disappearance of the WGTO. They do not even have to declare it for tax purposes. In Quebec, each milk producer is going to be penalized some $5,000 on average and will be receiving absolutely no compensation. Nothing.

The worst part of all of this is that western producers will use the compensation to diversify their production and will move into Quebec markets to compete against us with the help of tax dollars we gave the government. Take hogs, for example. I am talking about the period from 1981 to 1991. After 1991, things tend to intensify and will get worse after 1996. There is no supply management in hog production. Are you aware that, in ten years, western hog production grew by 39 per cent, over 39 per cent? In the same time period, in Quebec, production dropped by 16 per cent. How about that?

In terms of surface used, hothouse production in the west has grown by 67 per cent, while the increase in Quebec is barely 46 per cent, despite the fact that the markets are in Ontario and Quebec. I promise you that, each time we have the opportunity, the members of the Bloc Quebecois will rise in this House to criticize both Liberal and Reform Party members for failing to have a global vision of this country; for never setting foot in Quebec, for the most part; and for claiming that Quebec is still griping and asking for more. We have paid more than our share in this country.

[*English*]

Mr. Morrison: Madam Speaker, I liked that little history lesson at the beginning. Unfortunately I do not see what relevance it has to what we are debating today, current economic conditions in Canada.

Since the hon. member has only left me one moment, I will have to direct myself to one of his statistics. He talks about an increase in the hog production, I believe he said 39 per cent in the west and a decrease of 16 per cent in Quebec. With the feed freight assistance, if the farmers of Quebec cannot compete with the west, he is bad mouthing his own province. He is speaking ill of Quebec. I would not think of doing that.

We are progressive. We are working hard to diversify. We are not asking for handouts and as far as the $1.6 billion, all the hon. member has done is reiterate his previous arguments. He did not raise anything new. He said the same thing over—

The Acting Speaker (Mrs. Maheu): Resuming debate.

[*Translation*]

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I will share my time with the hon. member for Guelph—Wellington.

So far, it seems that Bloc members are choosing the issues in which they would like to intervene. They chose to remain silent in the Montreal and Vancouver port disputes but today's debate is another example of the partisan way in which the Bloc Quebecois chooses the causes it wants to defend.

I would like to explain a few things about the dairy subsidy announced in the last budget.

• (1520)

First, it should be pointed out that this government is formally committed to maintaining an orderly marketing system for dairy

products, eggs and poultry. These products are a very important part of the Canadian agri–food industry.

In the final round of GATT negotiations, we showed how serious we were by securing customs tariffs high enough to keep our supply management system almost unchanged. Some tariffs are as high as 200 per cent or 300 per cent for various dairy products.

These tariffs will drop by only 15 per cent over a six–year period. It is the smallest reduction required on such tariffs. In addition, international agreements call for limited access for imports while giving us comparable access elsewhere for our dairy products.

Consequently, all experts agree that this sector will enjoy a high level of protection for several years. As you will recall, when the GATT bill was before this House, we were accused of failing to protect article XI. That is how things were done.

It is good news, since the dairy sector is now experiencing a surge in activities. In 1993–94, Canadian industrial milk production rose by 3.2 per cent compared to the previous year, while a 4.5 per cent increase is forecast for this year. Quebec dairy farmers, who receive almost 50 per cent of national quotas, are taking advantage of the situation.

As for cutting the subsidies paid to industrial milk producers by 30 per cent over two years, it is necessary to do so to improve our public finances.

As elected representatives, we have certain inescapable responsibilities and reducing the deficit in real terms is one of them. We can no longer allow the deficit to keep adding to the national debt. We must strive towards fiscal balance. All Canadians agree on that.

Therefore, the government must cut its spending at every level and in many sectors, including the agri–food sector.

In the dairy industry, producers are currently paid $5.43 per hectolitre in direct subsidy for industrial milk. An hectolitre is equal to 100 litres. So, in simple terms, this is a subsidy of about five cents a litre. Moreover, it does not apply to fluid milk, the milk that we drink everyday, for which producers are paid a higher price.

This means that only a portion of the dairy producers' income is affected. In that case, I think this decision is perfectly justified when, as we know and I repeat, the government has to cut its spending. It has no other choice but to take stringent yet sensible budget measures.

After all, the subsidy is not completely gone, far from it. Seventy per cent of it, or $160 million, will continue to go to milk production. In the coming months, the Canadian Dairy Commission and officials from the Department of Agriculture and Agri–Food will hold consultations with the industry to set prices for the crop year beginning on August 1.

Later this year, the government will discuss with the industry how the subsidy can be best used. The most efficient use possible should be made of these funds, i.e. to support long term growth in the industry.

Producers and processors alike are committed to adjusting to the new global context. The Canadian dairy industry creates many jobs and generates billions of dollars in revenues. It is important that this industry be able to prosper and meet new challenges in the future.

The industry always sold a percentage of its production, particularly surplus milk powder and sought after cheeses, on the global market.

• (1525)

Just recently, on a trade mission to Latin America, the Minister of Agriculture and representatives of the sector interested Brazilians in importing Canadian parmesan and mozzarella. This confirms that there are new markets for our excellent products.

At the last meeting of the national milk supply management committee, six of the nine provincial marketing boards decided to set up a special marketing quota in order to develop the export market. This new approach could see the light of day by the summer, and might eventually encompass all the provinces.

As we can see, the sector is changing to suit its needs. The government intends to help the move to a new generation of orderly milk marketing, as is already the case in the poultry and eggs sector.

Furthermore, the budget announced new ways of helping the agri–food sector as a whole, including the dairy sector. Moreover, the government is proposing a series of adjustment measures so that the industry can seize the new opportunities opening up on the world market and to compensate for the reduction in government funds.

The government is prepared to provide the financial tools, as evidenced in the doubling, a few weeks ago, of the funds available under co–operative credit legislation. It will also provide more market information to businesses wanting to expand their foreign sales.

As you can see, the government is helping the dairy sector, as its financial situation permits, in the same way it is helping other agri–food sectors.

The cuts announced are real but not dramatic to the point of harming the growth of the dairy sector. On the contrary, we want it to continue to develop within a context of orderly marketing.

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, I would like to thank the hon. member for his comments. I know he is as concerned about the future of agriculture in Quebec as I am about the future of agriculture in all of Canada.

The hon. member made comments about the current tariff of 351 per cent on some products put in place on supply managed products. He also referred to the 50 per cent market for fluid milk Quebec farmers now enjoy. I have been having trouble with the logic of the Bloc's argument about how, when Quebec separates, it will continue to have 50 per cent of the Canadian fluid milk market at 351 per cent tariff. It does not seem to add up to me.

What steps is his government taking to help supply managed farmers in Quebec make the adjustment for the time when we have complete free trade in agriculture? That time is coming very quickly. In the beef industry we have free trade with the United States now. We actually have gone to some special import permits beyond the minimum access so it is happening quicker in the beef industry than even was scheduled under GATT.

The United States has served notice that it wants to discuss supply managed industries in Canada. Therefore there will be increased pressure to move to complete free trade.

It seems to me the Liberal government would have to be taking some concrete steps to help those farmers make that adjustment. If we are saying it cannot be done, if we will to maintain these 351 per cent tariffs, after a six year reduction in GATT it seems to me that tariff will still be 300 per cent, which is not realistic.

I ask the hon. member what he is considering doing to help these supply managed farmers make the adjustment necessary to continue to have a viable industry after free trade is accomplished.

Mr. Discepola: It is reassuring, Madam Speaker, that members other than Bloc Quebecois members have realized the importance of the rural agricultural industry in Quebec, especially dairy farming. It seems there is only one party in this House that does not realize the benefits Quebec enjoys through the protection and actions of gestion de l'offre. Dairy producers in Quebec especially enjoy tremendous advantage.

• (1530)

I find it very puzzling at times when I discuss this with rural members in my riding. Maybe it is not uncommon that the main leaders in the federation that supposedly defend the interests of farmers have separatist tendencies. Maybe the Bloc do not choose to advocate the benefits farmers enjoy because of the adherence to the federation that we love to call Canada. However, in Quebec they would prefer to have their own country.

I am baffled. Whenever a letter is written to a newspaper, very quickly someone from the UPA for example will refute the arguments and we get into a battle.

There is no guarantee that the protection farmers enjoy today would be continued in a separate Quebec. No member of the Bloc Quebecois can stand and honestly say that in this House. The protection is by staying in Canada.

If we look at their so–called draft bill, Bloc Quebecois members are very quick to state that we are offering only the status quo, but they exclude article 1 of their draft bill which states categorically that Quebec will be an independent country. Then in articles 2 to 16 they say they would like the same monetary unit, the same immigration, the same passport, the same economic union. That is the status quo. They have all of that already within Canada and now they want to destroy it to get it back. There is no guarantee they will get protection under GATT, the G–7, or any other agreement.

To answer the question, the tariffs that were negotiated in the last round of the GATT see a decreasing protection through tariffication of roughly 15 per cent per year. That will give the industry enough time to adapt. By the same token, the government has doubled the loan provisions from $1.5 billion to $3 billion to help farmers obtain access to needed capital. The tariffication process will allow them the needed three or four years.

Mr. Penson: It is 15 per cent over six years.

Mr. Discepola: No, no. It is reducing 15 per cent. The transition period they are requesting to my knowledge does not exceed more than three or four years. They have plenty of time to adapt.

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Madam Speaker, I am pleased to speak to the motion by the hon. member for Frontenac. I will focus my remarks on inspection and research.

It is well known that in our recent budget the guiding principle was to share the burden of deficit reduction. Every sector and every region has had to make a contribution and this has been done fairly. The people of Guelph—Wellington support the government in its deficit reduction efforts. My constituents want reduced government spending and an end to government deficits.

Within the context of fiscal restraint we planned our budget to support our vision for Canada's agricultural and agri–food industry. It is one built on economic growth and security, on sustainable agriculture and a safe food supply.

Guelph—Wellington represents every aspect of the food chain. We have excellent farmers who work the land and provide food and dairy products. Better Beef Limited employs over 400 of our neighbours. Woolwich Dairy Incorporated of Ariss produces award winning goat's milk cheeses. The United Co–operatives of Ontario manufacture livestock feeds. These companies not only provide employment but they also contribute to our agricultural industry. My riding houses the University of Guelph, an important research facility.

Finally, we are all consumers who value a safe and high quality food supply and control of animal and plant diseases that have a human health or economic impact. My constituents want as our first priority to ensure that food safety will not be compromised.

• (1535)

At the same time, recognizing the need to reduce the deficit, the people of Guelph—Wellington know that costs to the taxpayer must be reduced. Industry must be helped to find ways to keep input costs down so it can offer the best quality product at the best price.

For these reasons Agriculture and Agri–Food Canada has been working closely in the past year with other federal departments and provincial ministries of agriculture and health to develop national standards. We are aiming to establish a nationwide Canadian food inspection system. This will reduce overlap between jurisdictions and will result in a more streamlined and efficient regulatory system. My constituents have asked all governments to work together to reduce overlap and to control spending, something even the Bloc Quebecois can applaud, I would hope.

In addition, we will level the playing field between domestic and imported industries by enhancing inspection of imported products. We will also move to a system of monetary penalties in support of enforcement and compliance.

These are examples of the fairness that has been demanded by the people of Guelph—Wellington and others across this land. This fiscal year in co–operation with the meat industry we will be implementing program efficiencies in the area of meat hygiene.

These initiatives are expected to save $10 million. Surely all members of this House applaud that initiative. In 1997–98 we will be achieving further savings through initiatives such as privatizing quality assurance and residue testing and implementing hazard analysis and critical control point programs.

We also plan to transfer routine laboratory testing to the private sector. Industry benefits from the food inspection and regulatory system earning high prices for higher quality. We believe industry should pay its fair share of inspection costs.

We are currently negotiating with the private sector to make our inspection and quarantine programs more efficient and more effective and at the same time to meet budget reduction targets. This will be achieved over the next three years through a combination of cost reduction, cost avoidance and cost sharing initiatives.

There will however be no adverse effects on food safety. Let me underline that food safety is this government's top priority and continues to be. The government's goal here is to reduce the cost to taxpayers who live in communities like Guelph—Wellington by recovering an additional $46 million of the cost of inspection services by 1997–98.

To keep at the leading edge of technological changes, we must continue to conduct research. As I mentioned earlier, the University of Guelph conducts research in the areas of animal production. For example, it has developed a vaccine that reduces the stress animals suffer during shipping, a saving of millions of dollars to producers.

The university also studies new breeding methods for crops. Its program of agri–food assistance reviews all areas of farming production by bringing together all players, for example environmentalists, to study both the positive and the negative aspects of farming. That is important, the positive and negative aspects.

Agriculture and Agri–Food Canada will continue to be the prime federal source for agricultural research and development in Canada. Research and development accounts for a large portion of departmental expenditures. It will remain a major element of government support to the agri–food sector. We are committed to research and technology transfer efforts which protect the safety and security of our food supply and the sustainability of our resource base.

Value added products, new cost saving technology, non–food products from agricultural commodities and innovative approaches such as biotechnology are all the result of a vibrant and creative research infrastructure. We are committed to maintaining this. However, given the enormity of the task of coming to terms with the federal deficit, all areas must contribute their share.

• (1540)

Departmental research and development activities will consequently absorb part of the reduction of departmental expenditures outlined in the 1995 budget. Savings of $50 million will be achieved by 1997–98 primarily through streamlining the research infrastructure and reductions in areas where results are more portable, or the location is not important. Of that, an additional $3 million will be saved from the capital expenditure budget.

We will be moving toward a network of strong, viable, focused centres of excellence. Seven smaller research facilities will be closed: three in western Canada, two in Ontario, and two in Quebec. The remaining centres will be strategically positioned to better reflect industry strengths and competitive advantages in the regions where they are located, thus creating a critical mass of the most useful expertise. Some of our work is being transferred to and enhanced in the province of Quebec which surely must be appreciated and encouraged by our friends in the official opposition.

In addition to streamlining our research infrastructure, we are also reallocating resources to fund a matching investment initiative. This fund will support industry led joint research projects. Government will match industry contributions dollar for dollar, up to $35 million. A strong response by industry

could result in an investment of $70 million by the end of this century. This will help offset the reductions and ensure that money is spent where industry can best use it.

I would like to conclude by re–emphasizing that we are committed to maintaining food safety as the priority of the inspection system while reducing overlap and duplication; levelling the playing field for Canadian producers by ensuring better border controls; and sharing the cost of services which provide a private benefit to industry. We also remain committed to ensuring a safe critical mass of research and technology transfer dedicated to the safety of our food supply and the sustainability of our agricultural resource base.

As I represent the people of Guelph—Wellington, all important contributors to our food chain, I express our support for these initiatives. I congratulate the Minister of Agriculture and Agri–Food for ensuring that while funding is reduced, our guiding principles will never be compromised.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, the hon. member for Guelph—Wellington is lucky, because she can count on the university bearing the same name as her riding. The federal government and several para–public organizations contribute considerable research budgets to the university in her riding.

Members will agree however that not all ridings can boast such fine universities as the University of Guelph unfortunately. It has put a lot of emphasis on research. I picked a year at random from my notes on federal government spending, and came up with the research spending of the Department of Agriculture in 1990. I will give you a few figures and I invite you to reflect on them.

The federal government spent almost half of its farming research budget in the grain sector, some $111 million. Of course, friends out west are not complaining. One hundred and eleven million dollars, close to one half. But the grain sector only produces six per cent of Canada's farming outputs. In the same year, 24 per cent of the federal government's agricultural research budget went to the dairy, poultry and hog sectors.

• (1545)

And it so happens that hog, poultry and dairy producers are concentrated in Quebec and, of course, in Ontario.

I, myself, am a farmer and a member of the UPA. I know many other farmers. I spent all of last Saturday going up and down the concessions visiting farmers and it is funny but I did not meet a single one who applauded the Liberal government's budget, especially regarding farming issues. Not one.

Last Monday, I was at the Lafaille auction in Coaticook. Over one hundred farmers were there. I asked some questions. They were obviously proud to see that one of their own made it to Ottawa to defend their interests. None of them were happy. Not one.

So in Ontario, out of 99—sorry, 98 Liberal ridings, one slipped out of their grasp and went to a Reform friend—the general protest reminds me of what happened in Quebec in the 1970s, when the only person even remotely capable of playing the role of the opposition was Roch LaSalle.

The UPA and the Association des producteurs laitiers have literally come out swinging against this budget. Now I will discuss an article written by Claude Rivard and will ask the hon. member for Guelph—Wellington to comment on it. In a newspaper article on dairy producers in Quebec, published in March 1995, Mr. Rivard talks about the federal government's intention to withdraw altogether from programs in the areas of dairy control and genetic testing. That is some major research. Her government is backing out and she is happy with the research done. My foot.

[*English*]

Mrs. Chamberlain: Madam Speaker, the member for Frontenac began by talking about how lucky I am as the member for Guelph—Wellington. He is quite right, I am. However, we are all lucky to live in this wonderful country. I would like to put that on the record.

The member for Frontenac wanted to talk about research and development. The federal government will be maintaining excellent research infrastructure in Quebec which will have four of the national centres of excellence; Lennoxville, Saint–Hyacinthe, Saint–Jean–sur–Richelieu and Saint–Croix. We will transfer 53 research positions from the national capital region to these centres, enabling our scientists to concentrate on research areas of high priority to Quebec producers and processors as well as to producers across eastern Canada and the whole country.

We are all lucky to live in Canada and to enjoy the support of the federal government, including Quebec.

[*Translation*]

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member but her time has expired. Resuming debate. The hon. member for Matapédia—Matane.

Mr. René Canuel (Matapédia—Matane, BQ): Madam Speaker, first of all, I want to thank my colleague, the hon. member for Frontenac, for putting forward this opposition motion on agriculture. This is an extremely important day for all farmers in Quebec and across Canada.

I see that there are not many members across the way. They may not come from another planet, but I do not know where they come from.

People have been hit very hard by the budget. My colleague from Frontenac said earlier that none of the farmers he has spoken to was happy with the budget.

They claim that the budget is acceptable, that it is a good budget. I do not understand where these members come from.

An hon. member: From Ontario.

• (1550)

Mr. Canuel: It is impossible to pay too much attention to agriculture, and especially to young farmers. A nation that is not self–sufficient in agriculture must be considered part of the third world. A country that does not give top priority to agriculture does not understand anything.

When game became scarce, mankind turned to farming to survive. Nothing has since replaced the food taken from the land. However, in order to grow this food, farmers must work hard, invest money and take risks. Farmers do face great risks, as they have done for generations. They are willing to assume terrible risks.

These people have attained sovereignty on their land. They own their land. They sow their fields with whatever grains they please. They breed whatever animals they please. Their work does not bind them to a fixed schedule, but one thing is sure, they have put in an incredible number of hours. They are ready for a country of their own.

According to a poll commissioned by the UPA, the results of which were released on November 22, 1990, at the Bélanger–Campeau Commission, 73 per cent of farmers were in favour of sovereignty–association, 73 per cent.

On September 2, in the middle of the election campaign in Quebec, the president of the UPA, Laurent Pellerin, argued in the presence of Premier Daniel Johnson that there is not much more to fear from sovereignty than from the current situation, what we have gone through over poultry and continue to got through every day in our trade relations. That is what the president of the UPA said.

Indeed, farm producers have met great challenges over the years, moving from traditional to industrial farming, facing international competition, computerizing their businesses, learning new production techniques and keeping up with all the new advanced technologies. They are ready to take up the new and great challenge of becoming the kings in their own castles, masters of their own houses, in other words, sovereign.

To those who claim that, in a sovereign Quebec, agriculture would be profoundly disrupted, our producers reply that the future of Quebec's industry is conditioned much more by market development than by the advent of a sovereign Quebec.

Those who think farm producers from the rest of Canada are unlikely to go for maintaining supply management are wrong. We all know that, to maintain the revenues of all dairy producers, each province must preserve the supply management system.

We doubt that it would be in the interests of the rest of Canada, particularly Ontario and the Maritimes, to eliminate the supply management system, which is still the only adequate income security system for farmers. Should that system be eliminated, markets would open up and, to be sure, the rest of Canada would be the biggest loser.

Allow me to digress for a moment. It is difficult in Quebec, particularly in my region, to talk about agriculture without referring to forestry. Most of our farmers have some woodland on their farm. In many cases, if used properly, that woodland can provide a supplementary income which can sometimes be relatively substantial.

Again, the federal government will hurt these farmers. The Eastern Quebec Development Plan, which was to be renewed for three years, was only extended for one year.

• (1555)

This will result in a shortfall of more than $13 million over a two–year period. The federal–provincial agreement, which will end in 1996, is also in bad shape. As you know, these federal–provincial agreements have been in place for 25 years and their continued existence is now uncertain, unfortunately. Foresters and farmers are very concerned.

Investing in agriculture is an obligation, while investing in forestry is a necessity. It is a plus, an investment. It is not a donation. The ministers of agriculture and natural resources are yielding to the finance minister who, in turn, yields to the multinationals. The problem is: who governs the country? It is the multinationals. Occasionally, the Minister of Finance will give his opinion, but it is just an opinion. Earlier, some members opposite accused us of being partisan; sure, because we represent our people. We are quite willing to be accused of partisanship because we truly look after the interests of those whom we represent.

What will happen is disturbing, if not downright frightening.

We have a moral obligation to feed ourselves, as well as others, because the Gaspé Peninsula is a vast territory. If we were given the tools to invest in our agricultural land base, we could feed thousands, perhaps millions of people. All we need is a bit of help. As I said earlier, people in our regions are used to

taking risks and putting up with an unpredictable climate, various diseases and fluctuating interest rates. They are survivors. They can once again meet the challenge with pride and dignity.

People need more than bread: they need more than figures and financial statements. Quebec farmers know that what people need above all are dignity and pride. Should we deprive ourselves of the life enjoyed by free nations, which deserve to be free, merely because we are a minority in North America? Based on what logic or what decree should the Quebec nation deprive itself of what is vital to other nations? Farmers know our history well. They know that there was a winner and a loser.

I will conclude by saying to my fellow farmers: you should not have any complexes: your past performances are a guarantee of future success. Your land is yours. All you have to do is give yourself a country. That country is called Quebec.

The Acting Speaker (Mrs. Maheu): The Secretary of State for Parliamentary Affairs, on a point of order.

* * *

FIREARMS ACT

BILL C–68—NOTICE OF TIME ALLOCATION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I wish to indicate that an agreement could not be reached under the provisions of sections (1) or (2) of Standing Order 78 in respect of proceedings at the second reading stage of Bill C–68, an act respecting firearms and other weapons.

Under the provisions of Standing Order 78(3), I therefore give notice that I will propose a motion at the next sitting of the House for the purpose of allotting a specified number of days or hours for the consideration and disposal of proceedings at that stage.

* * *

SUPPLY

ALLOTTED DAY—AGRICULTURE

The House resumed consideration of the motion.

• (1600)

[*English*]

Mr. Wayne Easter (Malpeque, Lib.): Madam Speaker, my hon. friend talked about the future as being frightening. I would certainly agree with him. The future is extremely frightening for Quebec farmers if they listen to the misinformation which I heard coming from the other side relative to what would happen if Quebec separates.

He is absolutely right in saying that supply management has been the only viable income system for farmers. He should admit up front that this viable income system will be put in jeopardy should Quebec move toward separation. That supply management system is one of the benefits Quebec farmers have gained from being a part of Canadian federation.

While I am on my feet, I might as well ask a question about my concern with the resolution put forward by hon. members opposite. They are leaving the impression that converting the grain transportation subsidies into direct subsidies to western farmers is an advantage at the expense of Quebec. Nothing could be further from the truth.

As a government, we have admitted that changing the WGTA, which has been the cornerstone of agricultural policy in western Canada, is extremely hurtful to western farmers. The fact of the matter is that farmers in Quebec got off relatively lightly with the budget as compared to those in the west.

How does the member opposite explain to farmers in Quebec that they are not going to lose the supply management system should they move to separation? Is he not willing to admit that Canada has been extremely good to farmers in Quebec over the last century and in fact the budget has really been relatively light in targeting Quebec farmers?

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Madam Speaker, the hon. member asked a question, but I think the answer is pretty obvious, because as you know, when we need something, we go to whoever has what we want. At one point, Russia was ordering wheat from us. We were capitalists and they were communists. They did not care about borders. They came to buy our wheat because it was good wheat and the price was right.

When people say Canada had been very good for Quebec, my answer is this: our farmers are telling us this has got to stop. These are not my words but theirs. I speak on their behalf, since when we are elected, it is our duty is to speak on behalf of our constituents. I talked to farmers and they told me to say what I just said. This is no joke, this is dead serious. I speak for the farmers in my riding, and they say it is practically impossible to live with this kind of system.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Madam Speaker, as soon as the Bloc Quebecois caucus decided that the next motion on the Order Paper for our opposition day, would be a motion on agriculture denouncing the Liberal government's budget, I told the hon. member for Frontenac that I was very anxious to speak in this debate.

First of all, I want to commend my colleague from Frontenac for the clarity of his presentation and also for the fact that his interventions on behalf of the Bloc Quebecois were very much to the point.

• (1605)

I want to congratulate him on behalf of all farmers in Quebec who are proud of the work done by the hon. member for Frontenac.

It is rather difficult to remain calm when speaking in this kind of debate. Especially when we hear from members on the government benches, although the same could be said of some Reform Party members, what I would qualify, without wishing to use unparliamentary terms, as outrageous statements from Liberal members and several members of the Reform Party.

I am referring more specifically, before I get to the gist of my speech, to what was said by the hon. member for Glengarry—Prescott—Russell, who in this very House accused all Bloc members of lying or saying the opposite of the truth, which apparently is parliamentary, and then, with the Minister of Agriculture, accused us of causing emotions to run high across this beautiful country of ours.

The hon. member for Glengarry—Prescott—Russell is extremely good at saying just about anything without being too particular about how he says it. Everyone will recall, and this will go down in history as one of the achievements of the hon. member for Glengarry—Prescott—Russell, his speech in the House during the debate on back–to–work legislation to settle the railway dispute. The hon. member for Glengarry—Prescott—Russell rose in the House to speak out loud and clear about what one of his constituents had told him which was, according to him, that shipping costs for soya beans had gone up 20 per cent because of this dispute. And he gave us his constituent's telephone number so that we could call him right away. Well, it transpired that the only element of truth in what was said by the hon. member for Glengarry—Prescott—Russell was this telephone number. That was the only fact. The rest was a tissue of falsehoods. This was checked immediately by the hon. member for Berthier—Montcalm who called our Liberal colleague's constituent on the telephone.

This morning, or was it this afternoon, I also heard the hon. member for Lisgar—Marquette of the Reform Party say that Quebec benefited as a result of federal intervention, especially in the dairy sector. I would like to take a few minutes to clear up a few things.

As everybody in this House knows, I represent the riding of Mégantic—Compton—Stanstead where there is a large number of farmers, especially dairy farmers. Dairy farming is a very important industry, economically speaking. The economic spin–offs of dairy farming in my riding amount to tens of millions of dollars. As one can see, milk production is a very significant activity in Mégantic—Compton—Stanstead.

We are told that, should Quebec become sovereign, the rest of Canada will refuse to buy milk from Quebec. This is the kind of blackmailing we are being subjected to, and of course, there is no intent, on the part of our colleagues who make this suggestion, to have feelings run high.

• (1610)

Very calmly, they are not trying to scare anyone; on the contrary, they just want to reassure us by saying that once Quebec is sovereign, there will be no more dealing with Quebec. This is what is being said in this House.

This seems to me to be utter nonsense. One must look at the facts. The facts are that trade between Quebec and Canada amounts to more than $80 billion. For a large part, this trade is in agricultural products. In this area, Quebec shows an average deficit of more than $800 million.

That is to say that Quebec buys from the rest of Canada more than it sells. So, if someone should be doing some blackmailing in the context of a sovereign Quebec, it certainly should not be the rest of Canada. This means that English Canada would decide, in cold blood, to stop buying milk from Quebec producers, while knowing that Quebec could buy its beef, grain and other foodstuff from other sources.

I am saying this again very seriously mostly for the benefit of farmers, the men and women who own farms worth hundreds of thousands of dollars, sometimes even more than one million dollars. Agriculture in Quebec is no small potatoes. It is a thriving industry. A very significant industry.

I am saying this for the benefit of these men and women, Quebec's sovereignty cannot have the impact Liberal and Reform members would like us to believe. With Canada showing an $800 million deficit—and it is important to keep this figure in mind—in agriculture each and every year, Quebec is in a strong bargaining position when the time comes to negotiate with the rest of Canada.

The hon. member for Brome—Missisquoi stated in this House that the Quebec government was cutting funding to agricultural research and development. He asked us very seriously—probably confusing one level of government with the other because he is newly elected at the federal level—to take the matter up with the Government of Quebec so that the situation can be remedied.

I just want to point out to the hon. member for Brome—Missisquoi and all the hon. members of this House that the best solution to Quebec's budget problems is for Quebec to become sovereign. Quebec's share of the federal agriculture department's budget of more than $2 billion should be $500 million—that is how much should be spent in Quebec—but the figures prove otherwise. Instead of 25 per cent, we are actually getting 12 per cent; for research and development, it is more like 10 per cent.

I will conclude by saying that the best solution to Quebec's agricultural development problem is to achieve sovereignty.

Some hon. members: Hear, hear.

The Acting Speaker (Mrs. Maheu): I would like to remind the hon. member that, in remarks made earlier today, he used words that almost fit my description of unparliamentary language. I would simply ask him to be careful when referring to what the hon. member for Glengarry—Prescott—Russell said.

• (1615)

[*English*]

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, I would like to thank the hon. member for Mégantic—Compton—Stanstead for his spirited speech regarding agricultural producers in his riding. I too represent an agricultural riding in Alberta. I am a farmer and I appreciate his concerns for the people who are affected.

However, I do want to remind the hon. member that no one is talking about refusing to buy milk from Quebec, even though Quebec now enjoys 50 per cent of the Canadian fluid milk market with only approximately 25 per cent of the population. If Quebec were to separate, that might influence whether the rest of Canada would buy milk from Quebec. It certainly would not buy milk based on a 351 per cent tariff. It would be looking for a price based on a world price. If it is going to be competing it has to meet the competition. I see that as the biggest threat, not the decision of whether to buy from Quebec.

I would like the hon. member to give us some idea of how the supply–managed producers in his riding can make the transition from the current system, with 351 per cent as the high tariff on butter—they are all in that range—down to free trade in agricultural products, which is going to happen over a period of time. How do we make that transition easier for the producers? It is of concern to all of us. He talked about the hundreds of thousands of dollars that these people have invested. The same situation exists in the grain farming industry in western Canada.

It seems to me that as responsible people we have to not pretend that we will have the supply–managed tariffs in effect forever. We must look at the reality that we are going to have free trade and there will be zero tariffs down the road. We have to help these people make the adjustments necessary to get there. I would welcome his comments in that regard.

[*Translation*]

Mr. Bernier: Madam Speaker, I thank my colleague from the Reform Party for his question which seems quite relevant. I will answer his question as clearly as possible. In fact, he is asking me how farmers can adjust to the new international trade context, that is, the reduction in tariffs now set under GATT?

Of course, this is a major concern of farmers in my riding and throughout Quebec and of all dairy and other producers affected by international trade and tariffs.

Allow me to share with him some farmers' reaction with respect to dairy production in particular. Many farmers in my riding said in response to my questions that they would be willing to compete with U.S. farmers—since they are our main competition in the area of dairy production—provided they played by the same rules. In other words, they would if they were in the position to offer products as good as those on the American market.

It must be pointed out that in both Quebec and Canada—since the milk marketing system is the same across the country—not only production but also quality is subject to regulations. This is something we can be proud of. If we want to preserve this quality, we must pay the costs involved. The whole matter must be considered. I will surely have the opportunity to get back to this later.

[*English*]

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Madam Speaker, I will be sharing my time with the hon. member for Gatineau—La Lièvre.

• (1620)

The motion before the House today suggests this government is providing western farmers with an unfair advantage over farmers in eastern Canada. Our job has been and always will be to work with all sectors of the agriculture and agri–food industry to create opportunities and advantages, not to promote one sector at the advantage of another or one region over another, as my hon. colleagues would suggest.

This government's first and foremost priority is to win the national battle against the deficit. Within that reality of fewer government dollars, this government is working extremely hard through the Department of Agriculture and Agri–Food Canada to help position the Canadian agriculture and agri–food sector to increase Canada's share in every available marketplace, at home and abroad. That work has not been at the expense of one part of the country over another. Western and eastern farmers alike have said repeatedly that they do not want to be subsidized; they just want good markets and fair prices.

The changes outlined in this government's budget will help farmers reach that goal while helping reduce the overall cost of government through changes that are designed to improve our efficiency and competitiveness, to remove impediments to development and value–added production and processing, and to take maximum advantage of the world's new trading environment.

This government recognized that structural reform in our transportation system was long overdue. Reforming the Western Grain Transportation Act will eliminate barriers to value–added opportunities, diversifications and economic growth. Eliminating the WGTA will provide Canada and the agri–food sector with a faster, lower–cost and more efficient transportation system. Transportation reform can help us more effectively comply with the new international trade rules under GATT.

There is a big difference between subsidies for grain transportation and dairy producers. In fact, eliminating the $560 million subsidy addresses competitive concerns raised by farmers in eastern Canada. The annual subsidy, which has already been reduced by over 23 per cent in the last two years, is now being completely eliminated as of August 1, 1995. The dairy subsidy meanwhile is being reduced by only 30 per cent over a period of two years.

The adjustment package this government is offering to the grain industry reflects the potential impact of eliminating a 96–year–old commitment to the western grain sector. To eliminate the subsidy with no funds to help the sector adjust would seriously disrupt the prairie grain economy because it has traditionally represented an important source of land value for prairie producers. An ex gratia capital payment of $1.6 billion will be paid to owners of prairie farmland in recognition of the impact on land values that may result from the termination of the long–standing freight rate subsidies. This one–time payment is not tied to production or marketing decisions.

A multi–year adjustment package of $300 million has also been established to address specific issues arising from the transportation reform. The amount is not excessive. It does not give western farmers an unfair advantage. Rather it is necessary to help adjustment of the industry and the transportation system in the west.

It should also be noted that while the GATT agreement has brought some discipline to export subsidies, the prairie grain sector will face considerable competition from subsidized exports of grain. While the dairy subsidy is being reduced, it is not disappearing. In fact, our national supply management system, one of the great advantages of our federal system, ensures a reasonable return to efficient producers, and this management system will be maintained.

It is rather ironic that the hon. opposition member calls our approach to transportation reform an unfair advantage for western farmers. Some western provinces and producers have argued the budget cuts to western Canada are substantially greater than to eastern Canada. They have argued that eastern Canada is receiving a greater share in adjustment transitional funding relative to the magnitude of the subsidy programs that are being eliminated or reduced.

What this tells us is that all farmers, and indeed all Canadians, are sharing equally, as we must, in the responsibility for deficit reduction. It is a responsibility we must all shoulder to ensure the future growth of our agriculture and agri–food sector and to maintain our competitiveness on a global scale.

• (1625)

This government is creating opportunities for western and eastern Canadian farmers alike. As my hon. colleagues know, this government has set aside considerable funding for adaptation initiatives. While the overall budget for Agriculture and Agri–Food Canada may have been reduced by 19 per cent, the department has initiated a 20 per cent increase in its adaptation funding. This reflects the industry's shift in direction toward acquiring financial security from the marketplace rather than from government programs. This adaptation funding is available equally to farmers in eastern and western Canada to help improve the sector's ability to grow and capture markets.

This government's package of reforms to grain transportation is not inconsistent with the position set out by the Quebec coalition on the WGTA in December 1994. The package of subsidy reform is fair and balanced with respect to different situations in different regions of our country and in different sectors. All will have to do their share in contributing to deficit reduction and all will share in reaping the benefits.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I am pleased to rise in the House this afternoon to ask a question of the member for Saskatoon—Dundurn.

I am quite taken aback by his very weak defence of the elimination of the Crow benefit for western Canadian farmers. I am taken aback because he says in his remarks that the elimination of the Crow benefit will take away almost half of the net farm income from farmers in Saskatchewan alone; it will reduce their land values by a significant amount; and it will double and in many cases triple freight rates for the transportation of grain. He said: "This is creating opportunities for farmers", that the Liberal program of eliminating the Crow benefit for farmers, which will devastate rural Saskatchewan and western and rural Canada, is creating opportunities for farmers.

This is reminiscent of another movie. The movie I refer to is in Saskatchewan with Grant Devine, the PC premier who bankrupted the province—he and his cabinet—almost single–handedly in nine short years. It was one of the wealthiest provinces in Canada. They fired 275 highway workers and their comment at that time was not "creating opportunities for farmers"; their comment was that they were freeing up the workers to participate in the private sector. That is exactly the same kind of comment, the arrogant positioning of the Liberal government with respect to the elimination of the Crow, that we hear today in this House of Commons.

I find that personally distasteful. I predict, and many farmers and other people in Saskatchewan predict, that come the next federal election we will not see one Liberal member of Parliament re–elected as a result of this single attack on farmers, as well as the rail–line abandonment issue.

The member for Malpeque, another Liberal member who voted in favour of the abolition of the Crow benefit, is now chairman of an agriculture subcommittee going around the country listening to farmers' concerns, joined by Reformers and other Liberals, to see what impact the elimination of the Crow benefit will be. We can tell them what the impact will be, but having the Liberal member for Malpeque and his other members go around the country listening to farmers' concerns is like putting a pack of wolves in charge of the hen–house. Liberal and Reform members are saying: "We want to hear what the impact will be, Mr. and Mrs. Farmer. Please tell us. Although we voted to eliminate it, we are going to try to listen to your concerns." That is a sham. That is a scam.

The Liberal member for St. Boniface, who participates in this debate from his seat, does not understand the issue because he does not have any rural component in his constituency. If he did, he would be in jeopardy of losing his seat as well.

How does the member from Dundurn explain that the elimination of the Crow benefit and massive rail–line abandonment will increase exports when in fact grain will not be produced for export in the same quantity as it is now? Farmers will be going bankrupt in substantial numbers and people will see a smaller number of farmers farming in western Canada. How does he square that?

• (1630)

Mr. Bodnar: Madam Speaker, the hon. member mentions the bankruptcy of farmers. The bankruptcy of farmers in Saskatchewan, should any arise, will be as a result of the provincial NDP policies not as a result of Liberal policy at the federal level.

Let us not forget that some policies in Saskatchewan which the hon. member has been espousing as being so wonderful are by the NDP government. It is the same NDP government in Saskatchewan that would not lower the provincial sales tax, which chased away business into other provinces. It is the same government that would not reduce the aviation fuel tax until pressured to do so, again chasing jobs away. This is because the NDP government in the province of Saskatchewan did not want to lower its equalization payments from the federal government.

The NDP government in Saskatchewan has been living like a welfare bum off the federal government. That is what it has been doing. As fast as we have been creating jobs in Saskatchewan under infrastructure and other programs, the Government of Saskatchewan has been destroying those jobs.

I do not believe the hon. member is in a position to be commenting on the devastation of the agricultural industry, which is not occurring in Saskatchewan. In fact, production is going up in other sectors such as hog production and cattle production. The whole industry will benefit rather than suffer, as indicated by the hon. member.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Madam Speaker, the remarks made by the hon. member for Saskatoon—Dundurn and the questions posed by the hon. member for Regina—Lumsden show the conflict that exists in the agricultural sector and the need for reform.

Of course, we are concerned about the changes or budget cuts recently announced by the Canadian Minister of Agriculture and Agri–Food. In its motion, the opposition denounces as unfair to some Canadian farmers the budget cuts recently announced by the Minister of Finance. These people are clearly acting in good faith but I am sure that they are mistaken.

Sometimes, our colleagues opposite do not realize that this country is facing a crisis as a result of the deficit accumulated over the past 15 to 20 years. Our deficit represents 73 per cent of GDP. We can no longer put it off. Whatever difficulties await us in the future, certain problems must be solved, namely bringing public spending under control and introducing sound management for all Canadians without exception.

The Department of Agriculture was asked to cut spending by 19 per cent. Other departments were also required to make sacrifices. The Department of Agriculture met the challenge and found a way to sweeten the pill by ensuring that the cuts are fair to all farmers across Canada.

Breeders in animal feed deficit areas receive feed grain transportation subsidies aimed at reducing the cost of this feed and allowing breeders to compete. Financial help is provided to breeders almost everywhere from the Atlantic provinces to the Yukon, including parts of Eastern Quebec, Northern Ontario and British Columbia. Those are the facts.

• (1635)

A subsidy on which rely the producers in most provinces, including Quebec, is about to disappear, but there is more. The government recognizes that this may not be a popular measure. It also knows that it cannot, and must not, ask producers to drastically change their operations overnight.

Contrary to what some might think, the government is willing to listen. During our post–budget consultations, we learned that

the initial date set for the elimination of the FFAP, the Feed Freight Assistance Program, which was October 1, did not give enough time to the producers and to the industry to adjust to such a major change. Consequently, the government agreed to wait until December 31, 1995, and not reduce the level of assistance provided during that period.

While the government will eliminate the subsidy provided under the FFAP, it will inject $62 million, over the next ten years, in the regions where the FFAP is currently in effect. Part of these funds will be used to make the payments provided under the program, until it expires later this year. The government is also providing financial assistance by giving a lump sum payment to western farmers affected by the repeal of the WGTA. We are receptive to the concerns of producers, while also showing fiscal restraint with the taxpayers' money.

This financial assistance will be provided to affected producers in every province and region in the country. How will that money be spent? As you know, we do not have that answer yet, but we decided to seek the help of experts. The government feels that those who are most qualified to answer that question are the producers, the people in the food and cattle industry, the feed producers and the animal farmers from the regions which will be most affected by the gradual elimination of the FFAP.

This is why the Minister of Agriculture and Agri–Food announced that consultations would be held with the producers, in the coming weeks and months, to look at ways to use the FFAP adjustment fund and the transition fund. Moreover, these people will look at various financing options offered by other programs run by the Department of Agriculture, including the joint investment project in agri–food research.

The government is aware that hard times lie ahead. This is not necessarily the best solution, but under these circumstances, we have to act. However, we would be grateful if the opposition could come up with better solutions. I remind the House that, because of the disastrous economic situation we have inherited from the previous government, we have no other choice but to take rather drastic measures.

National consultation is the only way to establish closer ties with representatives from the agricultural industry. Together, we can find solutions, come up with new ideas and even reach compromises that would ensure that all farmers are treated fairly. This agricultural reform should have been implemented several years ago. Think about what is happening in the area of fisheries and oceans, where the fish stock has been declining for the last ten years, where we are still waiting for changes that should have been made more than 10 years ago, and look at the results. We do not want the same situation to occur in agriculture.

• (1640)

The whole world is undergoing unprecedented changes and in turn we have to make fundamental changes to preserve our agri–food industry.

Finally, all those who know something about agriculture realize that this industry has been very efficient in the past in Canada. We are one of the most fortunate countries in the world, because our agri–food industry has evolved rather nicely. However, with all the changes that were made in terms of GATT and NAFTA, and with the competitiveness of the United States south of our border, we are under a lot of pressure.

There are times, I must say, when the dealings of the United States on the world market create unfair competition. A country with a tenth of its population is bound to be affected by its actions. This is why the Department of Agriculture must make changes. We do not want the situation to worsen. It could have very disastrous consequences for all of Canada.

So, we must recognize that the measures put forward are not perfect. But nothing is perfect in this world. Any way, the important thing is to act. As the situation evolves, we will make adjustments to ensure that all farmers are treated fairly.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, I agree up to a point with the hon. member for Gatineau—La Lièvre who shares with me the position of vice–chairman of the Standing Committee on Agriculture and Agri–Food. I must admit that the hon. member is very knowledgeable on agricultural matters.

However, I may remind him that the country's current debt was not created by the Americans, the French or the Mexicans. Around 1969–70, the debt was almost nil. I will not tell you who was governing the country at the time, since you know that better than I do. But in 1984, when Liberals were ousted, the debt totalled around $250 billion.

In nine years, the Tories brought the debt close to $500 billion. His team was responsible for creating at least half of the cumulative debt. Today, the government is asking or rather telling farmers to do their share to reduce the deficit it created in the first place. And farmers, oddly enough, are being asked to do a bit more than that.

My friends opposite did not mention the fact that during the past fiscal year, 328,000 flights were logged by public servants, not including members of the House of Commons and senators. The cost: $275.5 million. They do not mention that.

Earlier, while listening to the hon. member for Gatineau—La Lièvre, I was reading an editorial by Claude Rivard, Quebec

president of the dairy producers, who had the following to say: "As far as reducing the deficit is concerned, we expected Mr. Martin and his government to do what they promised: a budget that would be hard but fair". You may recall that for a month they were saying that the budget would be hard but fair. The article goes on: "Well as far as we are concerned, the Chrétien government was hard but unfair". That is the perception Quebec farmers have of this budget.

And what about the major banks that declared a profit of $3.5 billion in one year? They will be asked to pay a meagre additional $100 million as a temporary tax, spread over 18 months.

• (1645)

I realize that the major banks are among those that make the biggest donations to the party's coffers. There was the Conservative Party, but since they are out of the picture, I will not mention that.

So I agree we have to reduce the deficit. But, instead of coming down hard on farmers, I would like to add, for the benefit of the hon. member for Malpèque, that in 1988–89—and I am about to conclude, Madam Speaker,—spending in the agri–food sector, as a percentage of total federal spending, was 3.5 per cent. In 1994–95—the fiscal year which just came to an end—this percentage was 1.6 per cent; and in 1996–97, it is expected to be 1.2 per cent. So I am not very pleased with the way this government has treated and will treat agriculture in Canada.

Mr. Assad: Madam Speaker, I must correct something. My colleague opposite said that, in 1984, the Liberal government left behind a debt of $250 billion. The debt was not $250 billion, but $160 billion. There is a big difference. In 1984, in terms of the Canadian economy, the debt was one of the lowest among the industrialized countries. I therefore find it a bit odd that he is providing incorrect figures. He could look at the facts.

Secondly, he mentioned that Mr. Rivard, the head of the dairy producers association, had said it was a tough budget. It is true. It is pretty tough, but it must be remembered that a Liberal government elevated the dairy industry to its present level. With milk quotas, dairy farmers in Quebec have become some of our wealthiest farmers. We must look at both sides of the issue.

I would tell my colleague across the floor that he should try to quote figures accurately. There are consequences for failing to do so.

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Verchères—international trade; the hon. member for Cumberland—Colchester—health; the hon. member for Lévis—youth strategy.

Debate resumes with the hon. member for Lotbinière.

Mr. Jean Landry (Lotbinière, BQ): Madam Speaker, I rise today to talk about agriculture, a critical sector of our economy.

The official opposition is using this day devoted to agriculture to set the record straight in this area. I would not be surprised if, last week end, some members opposite forgot to reset their clocks.

Our job is to set the record straight regarding the last budget which has left Quebec farmers with a rather bitter aftertaste.

This last budget shows once more how unfair this government is.

The transition measures planned for Western producers following the elimination of the Crow rate are typical of the double standards applied by this government. Our party's position is clear: we support the elimination of this subsidy which created undue distortion in grain transportation.

However, we are against the $2.2 billion transition payment to western producers. By reneging on its commitments, the federal government is pitting eastern producers against their western counterparts and creates new trade distortions. Once the subsidy is eliminated, grain producers in remote areas will be tempted to dump their products on the domestic market. Otherwise, they will have to pay for transportation costs to foreign markets. This will lead to lower grain prices in the west, and higher prices in the east, since they will reflect the real transportation costs.

• (1650)

Moreover, beef and dairy farmers in the east will be doubly penalized, compared to their competitors in the west, since they use cereals as feed.

This is not an attack against western producers. It is the federal government, and no one else, which is upsetting domestic markets by introducing compensatory measures which apply only to the west. The government created an imbalance when it introduced the Crow rate and it now creates a new imbalance by doing away with it. It should have either cut the subsidy without compensation or cut it and compensated equitably all producers. It is probably too much to ask from people who, as usual, acted without considering the consequences.

Following Martin's budget, the Minister of Agriculture and Agri–Food will see his budget go from $2.1 billion to $1.7 billion in three years. Two thousand positions will be abolished because of these cuts.

Rather than cutting the budget in this way, why did the federal government not transfer the resources to the provinces? They could have rationalized spending, taking into account the programs they already manage. All the federal government had to do was withdraw from this field of provincial jurisdiction. Again, this is a perfect example of duplication since two levels

of government are going to compete against each other at the expense of the industry. By eliminating overlaps we could have avoided some cuts.

Quebec would certainly not have slashed research and development, and the experimental farms of La Pocatière and L'Assomption would have survived. In the farm community, as well as many others, we question the relevance of paying taxes to Ottawa when we do not get in return the necessary resources to develop our industry.

Also, we are still not getting our fair share of federal spending in agriculture, since we are only receiving about 12.4 per cent when 17 per cent of agricultural revenues come from Quebec. Meanwhile, the west is taking the lion's share with about 60 per cent of federal spending.

The situation in Quebec worsened since 1980, when our share of spending was 16.4 per cent. Moreover, taxes paid by our farmers help maintain policies which compete with their own production. Yes, many Quebec farmers are questioning the use of remaining in a country which lets them down at the slightest provocation. On the other hand, we know that we will have to counteract the fear generated by federalists.

The fear campaign began when federalist mercenaries published statements concerning the dairy industry in Quebec which, according to them, would be threatened by sovereignty. We are told that a sovereign Quebec would loose half its quota of industrial milk, which would lead to the closing of thousands of dairy farms in Quebec.

According to federalists, sovereignty would be catastrophic for the Quebec dairy farmers who supply the federation with 48 per cent of its industrial milk whereas Quebec only represents 25 p. 100 of the Canadian population.

Let us analyze the facts calmly. It is incorrect to say that a sovereign Quebec will no longer trade with the rest of Canada. The Quebec dairy industry is not a blessing, nor a gift or an advantage of federalism. It is just an economic fact.

Therefore, the worse case scenario should take into account the fact that the value of the trade between Quebec and Canada is more than $80 billion and that trading is not one way only. If Quebec is to lose its trade with the rest of Canada, is not the reverse also true?

Comparing one scenario to another, members will admit that this one defining an economic area which is advantageous to both parties is more realistic. True, it will not win an Oscar in the horror category or for fiction. But it is also true that people prefer movies with a happy ending. Here is a true script: just last Wednesday, dairy farmers from Quebec and Canada signed a memorandum of agreement on the integration of marketing operations for fluid milk and industrial milk in six eastern provinces. In these six provinces, farmers will be paid the same price for their milk and will share a common quota.

• (1655)

Together, these provinces represent 85 per cent of the Canadian industrial milk quota. Such integration will eliminate interprovincial barriers to milk supply. Quebec played a substantial role in this issue. Nobody was tempted to ignore it.

Without Quebec, the Canadian milk policy would fall down. The dairy farmers from other provinces know that and understand perfectly. In this pre–referendum period, they acknowledge the importance of economic integration with Quebec. We have put the federalist scare scenario far behind us, have we not? Canadian dairy producers know that the day after Quebec votes yes in the referendum, Canada will maintain an economic union with Quebec, not to please Quebecers but to protect its own interests.

Who would dare think of excluding Quebec from the supply management system, from quotas? Producers from other parts of Canada would have to compete with the highly competitive Quebec dairy producers and the Canadian market would experience a shortage of products from Quebec. The GATT would prevent Canada from slapping on new trade restrictions to prevent dairy products from Quebec from making inroads into its market.

The GATT prohibits the imposition of new restrictions on markets. Maintaining a common economic link would permit us to ward off pressure from the Americans, who have remained opposed to customs tariffs on Canadian dairy products. Federalists are also trying to use NAFTA to scare us.

Even though the United States always tries to get the most out of its trading partners, Quebec will invoke the GATT to protect its customs tariffs, just like the Canadian government does.

If we absolutely must talk about threats to the dairy industry in Quebec, let us talk about the latest federal budget. That is the real threat to the dairy industry. The government is reducing its industrial milk subsidy by 30 per cent over a two year period. Obviously, with 48 per cent of the quota for industrial milk, Quebec will have to absorb a large part of the cuts.

Calculating quickly, that will represent an income loss of $3,775 for medium sized dairy producers, whose average net income is $25,000. This will mean a 15 per cent drop in income, in addition to the increased cost of livestock feed stemming from the loss of subsidies for grain transport and feed transport, to which I referred at the outset.

I repeat that no compensation will be offered in this budget to Quebec farmers, who will be the hardest hit.

In closing, please allow me to quote the Quebec Minister of Agriculture, Marcel Landry, after the Martin budget was tabled. He said that Canada's new federalism is a big tax grab, a reduction of services, and national standards. On this subject, he recommends taking control over our taxes as soon as possible and starting to map our own paths for the future—

The Acting Speaker (Mrs. Maheu): I am sorry but the hon. member's time has expired. Questions and comments. The hon. member for Malpeque.

[*English*]

Mr. Wayne Easter (Malpeque, Lib.): Madam Speaker, I want to point out to the hon. member that I am one federalist who is not trying to scare Quebecers or Quebec farmers. I am trying to make sure the farmers understand the facts as they relate to Canada, especially in terms of the supply management system.

I am assuming it was an oversight on the part of the member when he talked about 12.4 per cent of the direct moneys to Quebec farmers and that he did not think was a fair share. Quebec has 48 per cent of the dairy quota.

Has the hon. member done any calculations? If he has could he table any calculations on the real benefit to farmers in Quebec of the Canadian supply management system in terms of dairy, poultry and eggs?

The member talked about the loss of the subsidy. I will agree that is a loss. I am a dairy producer and I accept the cutback in the subsidy in terms of my contribution to deficit reduction. At the same time I know full well, as does the member, the dairy industry operates on a cost of production formula which assures efficient farmers reasonable returns on their cost of production, labour and investment. That is a pretty good deal. We know they are getting that deal from Canada.

• (1700)

I have a last point I want to make. It may just be a factual error, but I would not want the member to leave the wrong impression. The member said there was no compensation for the loss of the feed freight assistance program. Adjustment moneys have been put in place for the loss of the program. We face that in Prince Edward Island as well. In fact $60 million has been set aside for farmers to use in order to adjust to the loss of the program.

[*Translation*]

Mr. Landry: Madam Speaker, it is a pleasure to respond to my colleague from Malpeque. He spoke about equity. He admitted in his speech that an inequity problem had existed for a long time between Quebec and the rest of Canada.

He said that he used to be a farmer in the Maritimes. He knows full well that, a few years ago, potatoes from the Maritimes were fully subsidized for export to the Quebec market, while Quebec farmers had to pay transportation costs for their potatoes. Farmers in Quebec and the Maritimes were competing for the same Quebec consumers. If we are going to talk about equity, we should really do so.

With regard to transportation, the Crow rate has been eliminated, but some compensation formulas are still unfair to Quebec. Twenty–five years ago, I was too young to be involved in politics but some politicians, in whose footsteps I have followed, have told me: "Jean, you will see when you grow up how difficult it is to fight the federal government". I now realize that what I was told 25 years ago is still true today. All I am asking the government is to be fair to Quebec and the rest of Canada.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, I would gladly let my hon. colleague from Mégantic—Compton—Stanstead speak but, as you so rightly said, I am the member for Québec–Est. My riding of Québec–Est is an urban riding. I am not from a rural but an urban riding. I know of a number of farmers in my riding but they are all retired.

I nonetheless appreciate the importance of agriculture. I know that agriculture is one of the pillars of the economy, particularly in Quebec, which is about to become a country. Agriculture is a basic economic sector. I also learned a thing or two about this sector from working, a few years ago, for Agriculture Canada minister Eugene Whelan, who was considered as one of the greatest ministers of agriculture in Canadian history.

So, I am familiar with this inequity issue that was discussed at length today. It is well known that Quebec farm producers were treated less fairly than those from the rest of Canada, and Western Canada in particular. The latest budget tabled in this House by the Liberals provides a most glaring example of inequity. It is plain obvious.

While Western producers are very generously compensated—we are talking about $2 billion—subsidies paid to milk producers in the East are being cut by 30 per cent. I must say that this is nothing new. There was much talk about this here today. Quebec has not been getting its fair share for ages now.

• (1705)

Had one quarter of federal spending for Canadian agriculture been going to Quebec, since it is normally calculated on a per capita basis, Quebec would have been much better off. Instead, Quebec got 10, 12 and sometimes as much as 15 per cent, but never a full 25 per cent share of federal spending. According to my calculations, on this basis, Quebec's shortfall for the past 15 years, since 1980, is between five and seven billion dollars.

Mr. Chrétien (Frontenac): It is a disgrace.

Mr. Marchand: Quebec has paid between five and seven billion dollars out of its own pocket in support of agriculture in Western Canada and the rest of Canada. If only Quebec farmers had benefited from such investments in their province, Quebec's agriculture would have been even stronger than it is, and that does not include the Crow rate, which cost the federal government between $600 million and $800 million a year. These

investments in western grain transportation were very discriminatory and they were made solely in favour of western farmers.

A quarter of that money came from Quebec and statistics show that, during the last 15 years, Quebec lost two billion dollars more. These are huge losses. When the federal government announces the elimination of the Crow rate and talks about a compensation package, it only has in mind western farmers, the constant winners for 15 years, with the grain subsidy and the unfair federal investments in agriculture. Quebec has always lost out. The unfairness is blatant, even more so when one recognizes that Quebec farmers earn on average about $25,000 for their very hard work.

A farmer can work up to 80 hours a week. He works the equivalent of two jobs for a total salary of $25,000. So, the 30 per cent cut in milk subsidies and the 15 per cent cut in farmers' revenues are a blow to milk producers. It is a blow because their revenues are not that high. The inequity is obvious and we have discussed the subject at length.

The overriding theme is that Quebec, in practically all areas, has always been subjected to this sort of unfairness. Even though the other members in this House will not admit it, Quebec has been a cash cow for the rest of Canada. This is obvious in every sector, whether it is the sale of goods and services, or the research sector. As regards the latter, over the last 15 years, Quebec has been getting, on average, 10 to 15 per cent of research investments. Ontario was the big winner, with an average of 50 per cent of the total federal assistance. Again, Quebec lost money.

I could give you a whole list of examples where Quebec was the loser, but I will stop here. At some point, Quebecers will have to put their foot down and say: "Enough is enough! We are fed up with these injustices".

Mr. Chrétien (Frontenac): Hear, hear.

Mr. Marchand: This is why Quebec farmers must also assume their share of the risks involved in that venture. Obviously, there are some concerns. Achieving Quebec's sovereignty will not be a breeze. Nobody said it would be. However, in the middle and in the long term, there is no question that Quebecers will benefit from such a move. This is no question about that.

There is a transition period which raises several issues, including for the farming community.

• (1710)

Indeed, farmers too wonder what will happen once Quebec opts for sovereignty.

The hon. member for Lotbinière answered some very important questions earlier. The government is resorting to fearmongering when it says that Quebec dairy producers will lose all their quotas. Such arguments are not reasonable and are obviously based on emotions.

Quebec buys beef from Alberta, grain from the western provinces, corn and soya from Ontario. We buy a lot more outside the province than we sell. Do you think that, all of a sudden, the rest of Canada will refuse to buy our butter or our cheese, and that Quebec will no longer buy beef from Alberta? Of course not. It is totally unreasonable to think that the rest of Canada would force us into such an unfair situation.

I certainly believe that sovereignty will be beneficial to Quebec farmers.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Madam Speaker, I want to thank my colleague from Québec–Est who clearly described the obvious advantages for Quebecers to opt for sovereignty as soon as possible. It has also been demonstrated that the federal system does not work. I know that my Liberal and Reform colleagues do not like it when we talk about inequity, even though it reflects the real situation, so let us say that the federal system does not work, if this is the expression the federalists would rather use.

On that issue, the hon. member for Lotbinière was very eloquent. He used figures and several arguments to show that it is impossible to ignore how the Canadian Department of Agriculture has harmed the interests of Quebec.

Let me conclude my remarks which can be interpreted as a question to the hon. member for Québec–Est.

Without asking for more than what Quebec is currently giving to the federal government in the area of agriculture, and given the fact that Quebecers already pay 25 per cent of all federal taxes, if we were to get our hands on a similar proportion of the agricultural budget and to manage the whole thing, then we would be able to provide our farmers with an additional $500 million—since the federal Department of Agriculture has a $2 billion budget—in addition to the $300 or $350 million budget of the Quebec Department of Agriculture.

I know how capable, passionate and proud our Quebec farmers are and I am sure this will give them a competitive edge. So, I want to say thank you to my colleague from Québec–Est.

Mr. Marchand: Madam Speaker, I want to thank my colleague from Mégantic—Compton—Stanstead.

What he said is true. Quebec farmers will likely have a greater share of the province's revenues, money that was not available to them before because it was distributed elsewhere. But once

Quebec becomes sovereign, farmers will have the chance to receive more money from the government.

We must also recognize the strength of the UPA and of Quebec farmers. Our province is certainly the best organized province in the agricultural industry in Canada. It is in excellent shape. It is well structured. Farmers have a good knowledge of their trade which will allow them to take advantage of new markets, particularly of the new American market that is opening up. If I am not mistaken, under the new agreements, we will have access to 5 per cent of the American market. Therefore, Quebec farmers are in a good position to take advantage of Quebec's sovereignty.

• (1715)

I would like to come back to the issue of milk quotas. Dairy producers must understand that Quebec will not become independent overnight after a victory in the referendum. There has to be a period of negotiations. The current agreements, such as the GATT and NAFTA, will stay in place. There will be negotiations between Canada and Quebec and they will not necessarily be conducted sector by sector, farmers with farmers, bankers with bankers. These will be comprehensive negotiations between Quebec and Canada. A framework will have to be established, and when the parties are able to look at the situation rationally, without letting their emotions interfere, the rest of Canada will understand that, in the agricultural industry, Canadian producers will have to maintain a good relationship with Quebec producers in all sectors in order to protect themselves against unfair competition from Americans.

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Madam Speaker, I am glad to have the opportunity to comment on the Official Opposition's motion denouncing the government for giving Western farmers an unfair advantage over their Eastern counterparts.

The facts do not support the motion. They show that each individual, each region and each sector contributes its fair share, no more and no less, to reducing the deficit.

The 1995 Budget contained fair and balanced measures to address circumstances that differ from one region and sector of the country to another. It is worth mentioning that our reform of the WGTA is consistent with the position adopted by the Quebec coalition in December 1994.

Generally speaking, the government is eliminating its transportation subsidy programs, including the WGTA in the West, feed freight assistance in BC and Central and Eastern Canada, as well as various transportation subsidies in the Maritimes. What we are looking at is not a proposal to draw a parallel between the East and the West, but rather a principle to be implemented nationwide.

However, where we have eliminated transportation subsidies, we are providing assistance to those who are hit the hardest, be they in the East or the West.

As the hon. members know, the Western grain transportation subsidy will be abolished as of August 1, 1995.

In the adjustment measures it has offered, the government took into account the potential impact of the elimination of this 96–year old commitment toward the Western grain industry. The prairie farmland owners will get an initial payment of $1.6 billion in relation to capital, which is equivalent to three more years of the annual subsidy of $560 million.

In the budget he brought forward, the Minister of Finance made it clear that this ex gratia payment to prairie farmland owners was to offset the potential impact of the WGTA reform on the land values. This is not a gift from above nor a regional development subsidy.

The financial aid granted is not excessive and does not provide undue benefits to Western farmers. However, it will help grain producers adjust to changes. The GATT Agreement established certain disciplinary rules for export subsidies, but the prairie grain producers still have to compete with subsidized wheat exports.

The dairy subsidy is to be reduced by 30 per cent over a two year period, but the government remains committed to maintaining our national supply management system.

• (1720)

This system is one of the major benefits of federalism and it gives a reasonable income to efficient producers both in the east and the west.

Dairy farmers do not get a compensation package because their subsidies, contrary to the WGTA subsidies, have not been eliminated. But we are looking for ways to improve the dairy industry competitiveness. Consultations will take place with dairy farmers on the future of their subsidies.

We have been considering for 25 years the pros and cons of a reform of western grain transportation subsidies. So, we understand very well the reasons behind such a change. The solution we found with the industry takes into consideration the new circumstances of world trade, our fiscal situation and the need to be more sensitive to market forces.

This kind of dialogue did not take place in the dairy industry. We do not advocate any particular reform, but we think the time has come for us to determine with farmers and other players the best way to support the competitiveness of the dairy industry. We intend to initiate discussions this year.

The minister has announced that his parliamentary secretary, the hon. member for Prince Edward—Hastings, will hold consultations with the industry on the way we should use the large amount of money still available.

Cuts in agricultural spending take into account the improved financial outlook for the agricultural industry, the new discipline imposed by the new general agreement on international subsidies and the difficult fiscal situation of the government.

Interestingly enough, while the official opposition condemns us because we allegedly make deeper cuts in eastern Canada than in western Canada, others accuse us of doing just the opposite. Critics take the elimination of the WGTA subsidies out of context and ignore the $1.6 billion compensation payment. The official opposition does the same with the 30 per cent reduction in the milk subsidies and forgets about factors that will cushion the impact of that reduction and the government's commitment to the national supply management system.

The 19 per cent cut in the agriculture department budget is exactly the same as the average reduction in all federal departments. In other words, the budget cuts at Agriculture and Agri–Food Canada represent about 4 per cent of the total cuts of $7.2 billion proposed in the federal programs review. The fact that the AAC expenses represent approximately 4 per cent of the total federal expenses is not a coincidence.

We had some difficult choices to make given the critical situation of the debt and the deficit. All the budgetary changes reflect the need to materialize the government's vision of the agri–food sector in Canada and the need not to let the deficit jeopardize our future.

Our vision is based on financial security and the vitality and viability of that sector. Only a continuing and sustainable growth of the rural regions and the urban areas will make this materialization possible. This government's priority is to implement the necessary framework to help that sector find new markets, create jobs and ensure its own development.

An investment in the agri–food sector is an investment in growth for all regions of Canada—whether from the East, the West, the North or the South.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I would like to commend my colleague for his balanced speech that looked at both sides of the issue. I would like to ask him a very important question.

I suspect—if he disagrees with me, I will not be upset in any way—that the motion put forward by the Bloc Quebecois today was just to score political points, to try to play one part of the country off against another.

• (1725)

They did not sincerely believe that one region had been treated more or less favourably than another, they simply wanted to get one region to play off against another. They have been unable to look at the situation and this issue in a balanced way. As I said earlier, I will not be upset in any way if my colleague disagrees with me. I would like to have his comments, sincerely and honestly.

Mr. Bertrand: Madam Speaker, I wish to thank the hon. member for Saint–Boniface for his question.

I sort of agree with what my colleague has said. Il is true that our government was faced with very tough decisions to make and I sincerely believe that the decisions the Minister of Finance had to make were very difficult for all regions in Canada, whether in the East or in the West. I believe that the cuts that have been announced in the past or that will be in the future are fair and legitimate. I can hardly understand why the Official Opposition is trying to set the East against the West.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Madam Speaker, I wish to take the last couple of minutes to state my disapproval of the motion being put forward by the opposition.

I am surprised that my colleagues in the agricultural sector of the Bloc Quebecois would actually put together such a motion. I know and work with them very well in our committee. I am surprised that they are trying to suggest to the House and to the Canadian people that those areas of the budget related to agriculture are anything but fair to all areas of the country.

Everyone in the agricultural community recognizes that we require fairness in dealing with our debt and deficit situation. That part of the budget prepared by the Minister of Finance dealing with agriculture certainly was given a great deal of input by the minister of agriculture. They tried to deal in a fair and equitable manner with the areas of supply management and the western grain transportation issues.

One disappointment I have had since becoming chair of the standing committee on agriculture has been hearing hon. members in the House claim that one part of the country is getting a better deal than another part. I also was disappointed that a number of commodity groups and farm organizations spend too much time arguing over who got what rather than working and pulling together not only as commodity groups but putting together different aspects of an organization to help Canada in our commitments to export trade.

It will be in the export sector that agriculture and rural Canada will find the jobs in the future. The government has made a large commitment to exports. I feel that if the different groups get together and if the Bloc Quebecois put aside its partisan political interests, it would want to co–operate with all Canadians to make sure that Canada's agricultural products are exported around the world.

[*Translation*]

The Acting Speaker (Mrs. Maheu): It being 5:30 p.m., it is my duty to inform this House that under Standing Order 81(19) the time allowed for debate on the motion has now expired.

[*English*]

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

NATIONAL SOLIDARITY DAY FOR THE ABORIGINAL PEOPLES OF CANADA ACT

Mr. Nelson Riis (Kamloops, NDP) moved that Bill C–244, an act respecting a national solidarity day for the aboriginal peoples of Canada, be read the second time and referred to a committee.

He said: Madam Speaker, recognizing that the starting speaker is allotted up to 20 minutes, I would like to seek the unanimous consent of the House to see if I could share this 20–minute spot with one of my New Democrat colleagues.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Riis: Madam Speaker, I appreciate the generosity in allowing my colleague to join me in co–sponsoring the bill. In the Order Paper there are a number of co–sponsors. I refer specifically to the member for the Battlefords—Meadow Lake, the member for Regina—Lumsden and the member for Burnaby—Kingsway. Others have also indicated to me they are in support of the bill.

This is the second time I have actually tabled the bill. The first time it received the support of every aboriginal organization in the country. It received support from countless bands across the country and also from many urban organizations of aboriginal people and all the significant leaders of aboriginal peoples. To my knowledge no one has yet indicated their opposition to it, either among the aboriginal or the non–aboriginal communities.

We only have one hour for debate. In the closing moments I would hope either the debate would collapse, which would then allow a voiced vote to send it off to the Standing Committee on Aboriginal Affairs and Northern Development, or simply unanimous consent to send this off to the appropriate standing committee for continuation.

The bill is fairly straightforward. I do not suspect it would take an awful lot of study and examination. There may be the will of the House to provide unanimous consent to move through all stages before the hour is out, which we have done on previous occasions.

Mr. Solomon: A great idea.

Mr. Riis: My hon. colleague from Regina—Lumsden suggests this is a good idea. We will see as the hour progresses.

The preamble of Bill C–244, an act respecting a national solidarity day for the aboriginal peoples of Canada, is as follows:

> Whereas it is desirable that Canadians designate a day in recognition of Canada's original inhabitants;
>
> And whereas Canadians seek earnestly to set an example of their commitment to honouring native cultures;
>
> And whereas June 21, being the longest day of the year and marking the changing of the seasons, should be designated as a day in tribute of Aboriginal solidarity;
>
> Now, therefore, Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Therefore this act may be cited as the National Solidarity Day for the Aboriginal Peoples of Canada Act. If it passes it will be just that.

A point of clarification is needed. A number of my colleagues, particularly in the Reform Party, have asked whether this is a legal holiday. The point is not to make it a legal holiday but to designate it as a day when Canadians from coast to coast join with aboriginal peoples from coast to coast in acknowledging the tremendous cultural contribution First Nations and aboriginal people have made to this country. There is some question about who the first Europeans were who arrived on these shores. I take some pride in saying that my forefathers, the Vikings, were probably the first Europeans, although some people suggest it was the Irish. Some suggest the Chinese. Whoever they were it is important to say they arrived on the shores of North America and Canada to meet incredibly advanced cultures; cultures that had existed in some cases in rather hostile natural environments for hundreds and hundreds of years, thousands of years in many cases.

• (1735)

They had developed not only an incredible harmony in terms of working with each other and complimenting each of the organizations, tribes, clans and cultures in existence but they worked and lived in harmony with the natural environment.

When the first explorers from Europe arrived on Canadian shores they found by and large people who complimented their efforts and assisted them. They gave of all their own resources and so on to facilitate in the exploration of what we call today Canada.

Then the colonizers arrived. The settlers arrived. They met a relatively welcoming culture, a welcoming people who introduced them to the realities of living in this part of the globe. One can imagine the incredible suffering that would have occurred with some of these original settlers if the original inhabitants of those areas were not there offering co–operation, support, guidance and help at virtually every turn.

Things took a turn for the worse. It was then that we as a non–aboriginal culture began to practice what can only be called cultural genocide in many cases with intent, in other cases indirectly. The reality was disease, sickness, illness, violence and all sorts of aspects resulted in the genocide of aboriginal cultures, almost to their extinction.

Right now as we speak there are only a handful of original aboriginal languages left in the country. Thank goodness that at the 11th hour we have to give full credit to the aboriginal leaders across the country who stood up and said: "This is the end. We will now reverse this process". Through incredible leadership they have reversed the process of cultural extinction. Today aboriginal cultures from coast to coast are probably richer, more vibrant and more dynamic than they have been for a long time.

I want to refer to a number of aboriginal leaders in my constituency. Every member could stand in their place this afternoon and do the same. There are outstanding individuals who in a number of ways through their leadership ability and commitment to not only advancing the cause of their own peoples but the country as a whole have made these tremendous gains possible.

I refer to people like Chief Nathan Matthew, Chief Manny Jules, Chief Ron Ignace, Chief Richard LeBourdais and many others from the Shuswap nation of central British Columbia. I acknowledge those same statements could be made for aboriginal leaders from coast to coast.

Mr. Solomon: Chief Sol Sanderson from Saskatchewan.

Mr. Riis: Chief Sol Sanderson from Saskatchewan and David Ahenakew and others as my colleague says. There are so many. We owe them so much.

We must consider that before us in the next number of years probably the most important social issue will be the relationship between aboriginal people and non–aboriginal people and sorting out this complex and growing relationship.

I refer to the emerging reality of self–government, of self–determination and of self–reliance for aboriginal peoples, the resolution of land claims, cultural preservation, social and economic development, educational training and general cultural advancement.

I acknowledge the minister of Indian and northern affairs who has in his own way provided much needed leadership in a variety of these areas.

• (1740)

When we look at the last 18 months, there have been significant advancements in terms of a move toward self–government, self–determination and self–reliance, particularly for progressive Indian bands across the country to say nothing of the Inuit, Dene and Metis advancements as well.

In order to permit my hon. colleague to say a few words, I will conclude my remarks by saying that at a crucial time in the First Nation's evolution in our part of North America, it is very appropriate for us as parliamentarians on behalf of those we represent to extend a hand in acknowledgement of the contributions made by the First Nations.

We must tell them we recognize and appreciate those accomplishments and that we would like to work co–operatively, positively together for the advancement not only of aboriginal peoples across Canada but Canadians generally. We do acknowledge the existence of First Nations and what that entails.

I would like to finish my remarks by referring to the Indian Act and how this act, in my judgment, was a lie from the beginning. The lie is betrayed in the first line of the act: "This is an act respecting Indian people". This was not an act respecting Indian people and it is for that reason I ask my colleagues to extend a hand now and recognize June 21 as a solidarity day for aboriginal peoples.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I appreciate the opportunity to speak on the fine motion presented today by my colleague from Kamloops. It is a motion to recognize a day of solidarity with aboriginal peoples. It shows a lot of understanding of the challenges that face our societies.

I would like to think that every day I stand in solidarity with aboriginal peoples. However, that is not the case across the country. It would be very useful to have a day to specifically remind ourselves of the injustices to native people and that there are specific things we need to do to address those injustices and meet future challenges.

The royal commission on aboriginal peoples has released an interim report on suicide. We must actively work to address the recommendations on that issue.

The Senate has just released a report on the treatment of aboriginal veterans from World War I, World War II and the Korean war. We must as a nation actively work to address the grievances of aboriginal veterans.

The House of Commons standing committee on Indian affairs has in the past reported on the lack and the inadequacy of housing in aboriginal communities. This issue must be immediately addressed.

An environmental panel looking at the acceptability of low level military flight training over Innu land in Labrador reported that land claims in jurisdictions must be dealt with quickly. This is a critical issue which the government must pursue as soon as possible.

The list goes on. Currently committees of the House are examining the issues of self–government, of aboriginal education, of aboriginal fishing and economic development, of mental health among aboriginal people and the future of resource management in areas where aboriginal communities are located.

There is an urgent need for Canadians of all racial and ethnic backgrounds to acknowledge the history, heritage and future of Canada's first peoples. The adoption of a day of solidarity is certainly one small step in the right direction.

In my own constituency much is happening in this regard. Within the aboriginal communities chiefs like the late Big Bear, Poundmaker, Ahtakakoop and Seekaskoch are focal points for the development of interpretive and educational centres. Non–aboriginal communities have begun to sponsor or jointly host powwows and other cross cultural activities.

Individuals like the Federation of Saskatchewan Indian Nation's Chief Blaine Favel have talked about the need to foster stronger human and economic ties between non–aboriginal and aboriginal communities and people. Tribal councils like the Meadow Lake Tribal Council are demonstrating that successful aboriginal businesses can contribute a great deal to the success of neighbouring non–aboriginal communities. There are negatives and positives in the relationships that exist between our societies. If we are ever to overcome the negatives and make the future positive we must take a few small steps first. This bill sponsored by the hon. member for Kamloops and supported by the hon. member for Regina—Lumsden and other members of the House provides us with just such an opportunity.

• (1745)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Madam Speaker, I rise to support this bill. I commend the hon. member for Kamloops for bringing it to the House. The day which he talks about would be a day of reflection.

I would like to quote Georges Erasmus, who said:

> The history of our people needs to be told. We need to present accurately what happened in the past, so that we can deal with it in the future— I don't like what has happened over the last 500 years. We can't do much about that. But what are we going to do about the next 500 years? What are we going to do about the next ten years?

On this day of reflection these are the things which we should be thinking about. We should be thinking about the fact that when the Europeans landed here the Indians fed them, showed them how to avoid scurvy and asked for nothing. They asked Jacques Cartier for nothing. We should reflect on the Truro wampum, the covenant chain, the broken treaties, the food which they gave us.

My background is Irish and Italian. The Irish think that the potato came from Ireland. It came from the Indians. The Italians think the tomato came from Italy. It came from the Indians. They had over 1,200 different plants when we arrived. It was a self–sufficient nation.

We should reflect on their path of tears. We took away their voice. We made them non–persons. We put them on reserves. We put them in residential schools. It was not good enough to put them in residential schools, we moved them to other provinces. It was not good enough that they were in schools in other provinces, we said: "You shall not go home from the age of six to eighteen". They did not go home, not even for Christmas or holidays. Then we decided we would take away their language and their culture. To back all of this up and to make the kids go to residential schools we invented the pass laws. If the parents did not give up their kids to go to these schools they did not get a pass to leave the reserves.

Show me an Irish family or an Italian family or any other family that came to this country and was treated like that. In other words, the visitors to this country were treated better than the people who had been here for 10,000 years. We should reflect on that.

My friend reminded us that we should reflect on the Indian Act. It is archaic. It is an act which should not exist in any country.

We should reflect on the dams at Grand Rapids, Churchill, Nelson and Cheslatta that took away their livelihood. We took away their very being. We should reflect on what we did to the Haida Gwaii and the Micmac with our development of the forests. We should reflect on what we did with minerals. Because we needed minerals in northern Ontario, in came the Robinson Superior treaties. That is why we have those treaties, because we needed minerals.

In my area we took away the sturgeon and the wild rice. Not only were they food sources, they were religious things to them. They were there for generations and then they were gone.

We should remember our land grabs on those days, and the people who have come and gone: the Elijah Smiths; the elders of the Yukon; Jake Fire of the Mohawks, a traditionalist who came to a meeting unarmed and was shot; Frank Calder and the Sparrows. These are not individuals, these are families. For three generations the Sparrow family in B.C. has been saying the same thing. We should reflect on that and we should remember.

We should also reflect on what they are doing. They now have over 5,000 businesses, representing 31,000 employees. Twenty–five years ago only 600 to 800 aboriginal students were in post–secondary schools. Today, as I stand here, they have

150,000 graduates, with 22,000 in post–secondary institutions this year and 23,000 who will be in post–secondary institutions next year.

They had the leadership and they were articulate. On this day that the hon. member is proposing we should think of that.

• (1750)

In the past 17 months, and to me it feels like 17 years, we have tried to implement the promises of our red book. We have negotiated with the Micmacs. We have said: "You've done so well in education, now it is time to take over jurisdiction". The Micmacs in Nova Scotia are doing just that.

At the meeting when we signed the agreement, one of the elders now, but once a chief said: "You know when I started this, Ron, there were only four Micmacs in the whole province of Nova Scotia in post–secondary. I came to this meeting tonight to sign with high hopes in my heart. I saw a car there. There were three kids in this car and they were out of gas so I stopped and helped them. All three were Micmacs, all three were university graduates". We should remember that.

On the Manitoba dismantling, a year ago people in the House of one party thought it was craziness. Within three or four months the public said maybe it is important. A month before the signing they said it is historic. Now they say at Harvard that it is the most significant aboriginal self–government agreement in the world. That is the spirit.

In British Columbia it is difficult because we are doing contemporary treaties, in spirit and intent. There are now over 120 First Nations negotiating at five tables with 50 people from our side bringing in contemporary and modern treaties.

We intend to dismantle in northern Ontario. The meetings will be held in the next two or three months. We intend to move jurisdiction in Treaty 3 in the Fort Frances area and that is going on now.

We are moving oil and gas. This is the way it works. There are 110 oil and gas chiefs, 50 are on significant oil and gas reserves. They do not own it and they do not manage it. We have to give them that because it belongs to them. It is on their reserves. That will be done.

In Quebec we are dealing with the Inuit, the Cree, the Montagnais, the Huron. We are dealing with them face to face with dignity and respect, and agreements are being reached there.

The same thing happened in the Yukon. You all went through that as members. I would like to recall to you the night we voted. I looked up at the Yukon delegation sitting in the gallery. They were all in their traditional garb. We applauded and they applauded. They started crying and our hardened members here started crying. Hardnosed Liberals were crying over this. That is the kind of commitment we must have. The same thing will happen in the Northwest Territories.

I wish I could go on and on, but my time is limited. I want to talk about what can be done and what we should remember on that day. How can we? It seems so simple but it is difficult. It is a triangle. At the top of the triangle is dignity, respect and self–government. At the bottom of the triangle are adequate health facilities, adequate housing facilities and adequate economic development. If we do not do these things at the bottom, the triangle is going to collapse.

There will be opponents. They will say we are bleeding hearts. They will say we have our agenda. They will say the Indians have too much right now. I do not feel I am a bleeding heart. I do not feel I have an agenda. I have eyes to see. Erasmus is asking us to see.

What will it take? It will take courage to stand up to these arguments. It will take knowledge of what is out there. It will take compassion. We have to have compassion. It will take an attitude that we will talk face to face. One Metis leader said to me: "We've talked back to back and side to side too long. We must talk face to face". We can do it.

In the Northwest Territories, they have nine official languages, four more than the UN. They have translation in their legislature. The Russians have come here to see what we have done. That is the attitude we should have as Canadians, not just doing a good job but the best job in the world, where people will come to us.

• (1755)

Today the Irish, the Scots, the English and even the French are flying Canadian flags. If we are to have a flag in the aboriginal portfolio it should be the aboriginal people and other Canadians saying it is a flag of tolerance, a flag of dignity, of sharing and respect. It will work. That is why this day is important and that is why I will support it.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Madam Speaker, the Bloc Quebecois also intends to support the motion moved by the hon. member for the NDP.

It is a subject with which I am familiar, and I have been trying to learn more about it for nearly a year and a half, since it is extremely complex. It is not easy to understand because after all we have 635 communities in Canada. When I say communities, these are often reserves spread out across Canada. And there are not only communities but also nations. Furthermore, there are nearly 50 different languages and dialects, which is rather surprising.

There is among aboriginal nations a definite desire to really go back to their own traditions and language, and they are to be respected for that.

Ten minutes is not much for a subject as complex and indeed edifying as this one, because it is always interesting to talk about this and see how these exchanges take place and how aboriginal peoples try to negotiate with us, because these negotiations are based both on tradition and the modern way of doing things. However, I have decided to concentrate on symbols in my speech, because aboriginal peoples use many symbols. I would like to talk to you about one which has my particular interest: wampum.

So what is wampum? There are several definitions. And although there is more than one definition, there is one that I find particularly interesting and I would like to expand on that.

Wampum refers to white and black beads, often strung together in parallel strands. At the time, especially in the seventeenth century, trade was very important. Often trading between the settlers and those who had been there for 25,000 years took the form of an exchange of presents, and wampum was something that was very important to them.

The origin of the word is Algonquian. I have here an interpretation of wampum which we are sometimes given on the Committee on Aboriginal Affairs. I tend to agree with this interpretation. Several chiefs came to explain what it meant, and I think wampum has both an historical and a contemporary connotation. I think that what is explained and interpreted in the wampum beads has an entirely modern application today.

So I will read what wampum means to most of the native chiefs, and this is the interpretation I attach the most meaning to. It goes as follows: "Our relations are not those of father and son, but of brothers. These two rows"—these are the two rows of beads I mentioned earlier—"represent boats sailing together on the same river. One belongs to the original people"—those who were here before us—"with their laws and customs, and the other to the European people, with their laws and customs. We travel together, but in our own boats. Neither shall try to steer the boat of the other".

I find this is very representative of the relations between us, the Europeans, and the native peoples. Naturally, I would add that we must not try to sink each other's boat, either. So we understand the symbolic importance.

In the 17th century, wampum meant a lot to the officers of the British crown, with whom gifts were exchanged. It was a very popular gift.

As is the case today, the more gifts there were, the more the exchange was important. Even today, I am offered gifts every time I visit certain reserves in Canada and Quebec—with very few exceptions. For our part, we also developed the habit of bringing along some little offering to give them.

• (1800)

In many cases, the size or number of gifts is not as important as the symbolic value of maintaining this tradition of gift–giving. This allows a fruitful exchange with Aboriginal peoples because their traditions are being respected.

Although the Europeans knew that the wampum was a symbol of commitment, it seems that these commitments were not honoured. People must be made aware of this, and this awareness campaign could take place on June 21.

We denounced the old South African government over the issue of apartheid. I find it outrageous that in a country as open as Canada is at this time, there are still 635 reserves. We are ghettoizing these people by confining them to parcels of land. We took away between 90 per cent and 95 per cent of their lands, making billions of dollars in the process, in return for a social contract under which they were often set aside, ignored or shunted off to lands that were not even productive. We said in the social contract that we would look after them.

I think that if June 21 is ever designated as Aboriginal Solidarity Day, we should consider the impact of this legislation and the importance of dismantling it as soon as possible. Canada has had this law for 100 years and that is 100 years too many.

I also want to say a few words about June 21. This is an important date that was not chosen inadvertently. June 21 is the day of the solstice, that is, the longest day of the year. This is not just in Canada. Throughout the world, aboriginal peoples often celebrate this particular day. I was in Cancun, for instance, and I can certify that the Mayas, when they built their pyramids, were very much aware of the solstice.

On the longest day of the year, at a given moment, you can see a snake come down from the pyramid in Chichen Itza, the snake being, of course, a symbol of the longest day. The snake comes down from the pyramid at six o'clock in the evening, I believe, and often these temples and pyramids are built to mark the occurrence of the solstice. So June 21 is a very important date, and I think that if we decide on a national day, it should be June 21.

Finally, this is a day on which we should try and mix European and aboriginal cultures as much as possible. In a way this has already happened. The minister mentioned examples of food, of ways in which we exchange items, but there is also other aspects. If we take certain details of our daily lives as Europeans, for instance, what could be nicer than to go tobogganing with our children. Now the toboggan was invented by the aboriginal people, along with canoes, snowshoes, certain items

of clothing such as moccasins. They taught us how to use furs and certain skills such as how to survive in the bush, how to trap animals and how to hunt. All of this we learnt from the aboriginal people.

We should use this day to increase our knowledge of each other's cultures which unfortunately, as I see it, have become increasingly isolated in the past number of decades.

So the answer is not the red book or the Canadian Constitution. It is up to us individually to have an open mind and be receptive to the other culture. We must show compassion, we must listen and we should keep an open mind. We should not let ourselves be polarized by our differences: the Canadian nation, the Quebec nation and the aboriginal nation. We should try to understand each other and be generous and open. If we do that, June 21 will only make us richer, and I think this day should be an opportunity for us to learn as much as we can about aboriginal culture, and we in the Bloc Quebecois will be delighted to support this motion.

[*English*]

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Madam Speaker, I rise to address and support Bill C–244, which proposes to recognize June 21 as a national solidarity day for aboriginal peoples.

In the last two weeks Canadians have demonstrated an understanding of the important principles behind this bill, principles of celebrating equality and partnerships. Last Friday, aboriginal and non–aboriginal Canadians from across the country, including the Minister of Indian Affairs and Northern Development, gathered in Vancouver to celebrate the National Aboriginal Achievement Awards. Fourteen aboriginal Canadians were honoured for their outstanding contributions. On Thursday evening at nine o'clock, all Canadians can share in this celebration because it is being televised nationally on our CBC.

• (1805)

Canadians also celebrated the uniqueness of our cultures and heritage on March 26 at the annual Juno awards. A touching tribute to Buffy Sainte–Marie in particular highlighted the central role of aboriginal cultures in defining the broader Canadian culture.

This is what we are talking about today, marking the achievement of aboriginal people and their tremendous contributions to this great nation. These contributions span the spectrum from politics, business and law to entertainment, athletics and culinary experience.

For generations aboriginal people have made a visible, internationally recognized contribution that has for too long been largely unrecognized in our country. I firmly believe in the principle of this motion, as does the government and everyone on this side of the House.

We had these very principles in mind when we sat down to write our red book. Our goal was and is for a future where aboriginal people enjoy a standard of living and quality of life and opportunity equal to those of other Canadians. Our goal is a future in which aboriginal people live self–reliantly, secure in the knowledge of who they are as unique peoples; a future where all Canadians are enriched by aboriginal cultures and are committed to the fair sharing of the potential of our nation; a future where aboriginal people have the positive option to live and work wherever they choose; and one where aboriginal children grow up in secure families and healthy communities with the opportunity to take their full place in Canada.

This government recognizes the special relationship that exists between aboriginal people, the first inhabitants of this land, and the Crown. We are committed to fulfilling our obligations and to building a new partnership based on trust, mutual respect and participation in the decision–making process.

It was for these reasons that we put aboriginal issues at the forefront of our agenda. I am pleased to see that my hon. colleague from Kamloops also regards aboriginal issues in such a serious manner.

The goal of enabling aboriginal people to assume their rightful place as full partners in Canadian society is not a goal of one group; it is a goal shared by millions of Canadians. Clearly aboriginal issues involve more than just our aboriginal people. They involve each and every one of us. That is why I believe it is important for all Canadians to participate in marking the contributions past, present and future of aboriginal people. In these efforts, our focus should be on partnerships, commemoration and positive action.

Clearly before a decision like this is made, it is essential to seek consent from the aboriginal community. When our ultimate goal is to create a full and equal society, it would clearly be regressive for us to sit here and legislate a special day for aboriginal people without their explicit support.

I strongly feel that the hon. member's bill is worthy of our consideration and debate, particularly as we celebrate the first year of the United Nations International Decade of the World's Indigenous Peoples. By supporting the United Nations recommendation to pronounce August 9 as an International Day for Indigenous Peoples, we may also have an opportunity to bring aboriginal issues further on to the international stage.

I want to thank my hon. colleague for bringing this bill before us. It is an important reminder that aboriginal issues must continue to be a priority for all Canadians. I thank him for the opportunity to participate in this debate.

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, it is a pleasure to participate in this first debate of Bill C–244, an act respecting a national solidarity day for the aboriginal peoples of Canada.

I am sure the member for Kamloops initiated this bill with the best of intentions, borne out of concern for recognition of the contribution of native cultures to the Canadian mosiac. Canadians are proud of the uniqueness of native cultures and their contribution to what we call Canada. From coast to coast, respective Indian tribes have brought their own specific background and history to what we have built in this country. We in Canada are all unique as a consequence of native cultural contributions and from those cultural contributions brought by others over the past centuries. That understanding and respect for many cultures is why Canada stands as a beacon of tolerance, compassion and stability.

• (1810)

Since becoming a member of Parliament, I have met and visited with aboriginal people from every region of Canada. The diversity among aboriginal peoples is obvious and they are the original Canadians. Their cultural legacy is a major contributing reason why Canada is different from the United States. Canadians enjoy this distinction.

I do urge caution in playing politics with the dynamism of native cultures. Our native people are a sensitive, intelligent and proud people who, despite years of inequities, outright discrimination at times and at other times criminal mishandling of their affairs by others, have continued to carry on their cultural pursuits and have developed a community of interest.

My party supports native peoples' independence and full–fledged partnership in this country, we support their self–sufficiency, and we support the removal of the albatross of the Department of Indian Affairs from their necks. We support their advancement, not a reinforcement of the past.

As I said previously, theirs is a dynamic culture that deserves to grow and flourish no less than any other in this country. The tremendous cultural contribution native peoples have brought to this country stands on its own merit. It is a rich and endearing culture, not one to be isolated and ghettoized, as we did under section 91.24 of the BNA Act and then again under many aspects of the Indian Act. This is what our native cultures are trying to shake off. The surly bonds of colonialism must be relinquished.

As I understand it, recognition by this Parliament of a day of recognition is innocuous in that there is no statutory holiday or out–of–pocket expenses associated with this recognition.

Is it necessary to talk about national solidarity for aboriginal peoples? This has connotations of Poland climbing out from under the yolk of communist oppression. Surely, we can celebrate aboriginal culture without calling it Solidarity Day. This sounds confrontational. Let us not build walls. Let us nourish without singling out or separating our aboriginal peoples from the mainstream. Let us build on our strengths, our consensus, the very thing that has been the strength of Canada in the face of adversity.

Canadian consensus, more than any other government action, has protected the minority against the tyranny of the majority in modern times.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Madam Speaker, I am pleased to have the opportunity to take part in this debate. I would like to commend the hon. member for Kamloops for bringing this issue to the floor of the House of Commons.

It has long been an important premise of this country that we work to achieve equality in this society. Unfortunately, this has not always been the case. For hundreds of years aboriginal people have not been afforded the same opportunities as many Canadians. It is time to attempt to correct these past wrongs. That is why this government is committed to taking action to help aboriginal people assume their rightful role as full partners in Canadian society.

As a member of the Standing Committee on Aboriginal Affairs and Northern Development, I would like to focus my comments on the work the government is doing in consultation with aboriginal communities and organizations. In our red book we dedicated an entire chapter to aboriginal issues. Most important in our platform was the recognition of the inherent right of self–government.

• (1815)

In January 1994 the minister launched a national consultation process on how best to implement the inherent right. With these consultations now almost completed, I feel confident that we have some very exciting times ahead.

I would like to focus on three areas that are fundamental to achieving our goals: resolving land claims; changing the Indian Act; and dismantling the Department of Indian Affairs and Northern Development.

First we need to try to create certainty with respect to aboriginal rights and title as well as opportunities for economic development in aboriginal communities. Resolving outstanding land claims is part of that solution.

Claims fall into two categories: specific and comprehensive. The specific ones arise from the alleged non–fulfilment of treaties and other lawful obligations such as the Indian Act. Since coming to power our government has settled over 50 claims of this nature in all parts of Canada. Comprehensive claims, on the other hand, are based on the concept of continuing

aboriginal rights and title which have not been dealt with by the treaties and other legal means. These agreements define the ways in which aboriginal people assert rights over land and natural resources.

Currently the Government of Canada, the provinces and territories and the First Nations are considering 11 of these comprehensive claims. Benefits of economic development which is most important will be part of these negotiations. We are moving forward on these claims with the goal of helping aboriginal people forge a path of self–sufficiency, a path that is an essential component of the inherent right of self–government.

At the same time however, there are some real obstacles. I am referring specifically to the Indian Act. The act gives the federal government the authority to strictly regulate First Nations and their lives. This includes reserve lands, elections, education, amusement centres, and so on. The act prevents the First Nations from managing their own affairs.

That is why the hon. Minister of Indian Affairs and Northern Development recently announced the willingness of the government to amend the act if First Nations want these amendments. This of course would be an interim measure. The goal of the federal government and aboriginal peoples is to make self–government a reality. Under that reality there would be no need for the Indian Act.

Clearly, all this means redefining the role of the Department of Indian Affairs and Northern Development. What it really means is that the department's responsibilities will gradually be turned over to First Nations and the department will not be needed.

December 7, 1994 was a historic day for the Manitoba First Nations. The government along with Grand Chief Phil Fontaine of the Association of Manitoba Chiefs signed the first dismantling agreement for the Department of Indian Affairs and Northern Development. This agreement will give full control of program administration to the First Nations people of Manitoba.

Moreover, it sets the stage for real change for both the federal government and First Nations. Dismantling will eliminate the federal government's role in decision making affecting the daily lives of aboriginal people, a role dating back to 1876. It will go a long way toward resolving and restoring dignity, honour, self–reliance and self–government to the First Nations.

It is important to remember though that dismantling will not occur overnight. We agreed in the red book to wind down the department at a pace determined by the aboriginal people. This is significant given that our objective is to create real and meaningful partnerships with the aboriginal people.

This cannot be done by simply unilaterally imposing our will and our impressions of what should be changed and how things should change. We take our lead from those aboriginal leaders and communities who have their own ideas, time frames and goals. Dismantling will be achieved based on negotiated agreements, reasonable action plans and realistic timetables, all of which will be established jointly by the federal and aboriginal governments.

Most important, dismantling will assist First Nations in implementing their inherent right to self–government. Ultimately this means gradually shutting down the department's regional office in Manitoba.

Our government is seeking to refurbish our relationship and rebuild its nature on a government to government basis. We can change the way we carry out our responsibilities. We can try to correct our past wrongs. We are creating a process by which aboriginal people will control their own lives.

The Acting Speaker (Mrs. Maheu): It is my duty to advise the House that pursuant to Standing Order 44, the original speaker, the member for Kamloops, will automatically close the debate.

Mr. Nelson Riis (Kamloops, NDP): Madam Speaker, my comments will be very short.

This is one of those moments when the House of Commons works incredibly well on an issue in that all sides see merit in it. It is appropriate to recognize that all those who have spoken have done so in a sense as co–sponsors of this initiative. The positive aspect of Private Members' Business is that it is not a party event or initiative; it is simply an initiative that individual members take and it is supported in that fashion.

In light of what has been said and some concerns my hon. colleague raised regarding the term solidarity and whether that was appropriate or necessary, on second thought I tend to agree that mention of the term solidarity is not absolutely necessary. It is something that could be examined quickly in committee.

For clarification, I would like to seek the unanimous consent of the members of the House to send this off to committee for further consideration.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

An hon. member: No.

Mr. Riis: Madam Speaker, on a point of order, I want the record to show it was a Liberal member at least—

The Acting Speaker (Mrs. Maheu): That is not a point of order; it is a point of debate.

Mr. Rideout: Madam Speaker, on a point of order, is it a request that this matter go off to committee or is it a request for a vote?

The Acting Speaker (Mrs. Maheu): The motion in effect would be to adopt it at second reading and send it to committee. We do not have unanimous consent.

There being no further members rising to debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper pursuant to Standing Order 96(1).

Mr. Solomon: Madam Speaker, on a point of order. I wish to comment with respect to the Speaker's last words. I am not debating the Chair and I want that clearly understood. I want to put on the record that I stood in my place and I wished to say a few words about this business before it expired. The Speaker was busy doing other things but I wanted to participate—

The Acting Speaker (Mrs. Maheu): If I may remind the member, when the member for Kamloops rose that meant debate had closed.

The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

SUSPENSION OF SITTING

The Acting Speaker (Mrs. Maheu): We will suspend the sitting until 6.30 p.m.

(The sitting of the House was suspended at 6.24 p.m.)

SITTING RESUMED

(The House resumed at 6.28 p.m.)

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

INTERNATIONAL TRADE

Mr. Stéphane Bergeron (Verchères, BQ): Madam Speaker, a few weeks ago, I questioned the Minister for International Trade about the trade dispute between the U.S. and Canada over goods subject to quotas, such as poultry, eggs and dairy. At the time, the trade minister was unable to give farm producers the assurance that Canada's position will prevail over that of the U.S. Canada's position, according to which the GATT Accord takes precedence over NAFTA regarding agricultural commodities subject to quotas is steadfast and flawless.

Since the Americans never challenged the tariff structure submitted by Canada during the Uruguay Round, particularly with respect to yogurt and ice cream, it would be very difficult for them to come and ask Canada for tariff concessions for these commodities now.

That being said, the restructuring necessitated by the shift from a quota system to a tariff system will particularly affect dairy producers, 50 per cent of which are found in Quebec.

Throughout this transition period, dairy producers will have to contend with the federal government's decommitment in several areas. Of course, this decommitment will have a major impact on them, as it will affect their competitiveness in the short, medium and long term.

First, in the short term, the federal government's decision to reduce by 30 per cent, over the next two years, its subsidies to industrial milk producers will result in significant losses for these producers.

Indeed, the Quebec federation of dairy producers estimates that these cuts will result in a 15 per cent loss of revenue for industrial milk producers. This translates into a loss of $3,775 for a medium–sized dairy farm producing 25,000 hectolitres of milk.

These losses, which will result in a shortfall of close to $34 million for the Quebec industry, will also be felt when, as is the case now, there is a need to invest in modern infrastructures to compete with American producers.

Incidentally, dairy producers, unlike western farmers, will not benefit from any compensatory measure following this reduced federal assistance. Again, this shows the double standard applied by the federal government.

The withdrawal of federal support to the dairy industry will also have an impact in the middle and in the long term, since several so–called green programs, under the GATT, will be eliminated. These programs deal with genetic evaluation, milk recording, dairy animal improvement, and research.

Reducing or eliminating funding for these various programs will have very serious repercussions, because these moves not only threaten the programs that already exist, but they also affect Quebec's and Canada's ability to remain leading innovators in the dairy industry on the world scene.

While we are cutting that which would allow us to stay on the cutting edge in this sector at the very centre of our economy, the Americans are planning to invest more than $600 million over the next five years in so–called green farming programs under the terms of the Uruguay Round agreements.

What logic did the federal government use when it decided to cut research and development programs in the dairy sector, although studies show that for each dollar invested in genetic improvement or in quality control in the dairy sector, Quebec and Canada taxpayers reap seven dollars in benefits?

No, dairy producers vigorously oppose any funding cuts to so–called green programs because the industry regards them as a priority. Obviously, there is no way that I or the Bloc Quebecois can support such acts on the part of the government and that is

why I am behind the dairy producers all the way when they petition the federal government to stop dismantling their industry.

Not only is the government jeopardizing the future of our dairy producers, but it also seems that its incompetence is robbing the dairy industry of its means to grow in an increasingly competitive world market.

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Madam Speaker, it is a pleasure to respond to the comments of the opposition this evening. However, I must remind the member that his comments in no way, shape or form are related to the question he asked in the House. That is what I will be responding to because I believe that is what his constituents want an answer to.

The United States has requested a NAFTA chapter 20 consultation concerning the application of Canada's World Trade Organization tariff equivalents to U.S. dairy and poultry products. The initial round of consultations took place on March 1 in Ottawa.

We in Canada have consistently maintained that both the FTA and the NAFTA make clear that Canada has preserved all its GATT rights with respect to supply-managed agriculture goods, including the right to apply the World Trade Organization tariffication provisions to U.S.-origin agricultural goods. In our view, Canada's approach to tariffication of dairy and poultry products is fully consistent with our international trade obligations under both NAFTA and the WTO.

With respect to ice cream and yoghurt, in response to the 1989 GATT ice cream and yoghurt panel report, we indicated that Canada would implement the panel findings in the context of the Uruguay Round. In the Uruguay Round, Canada and all other WTO parties agreed to tarrify their import restrictions. In our view, Canada's tariffication of quotas on ice cream and yoghurt addresses the GATT panel report of 1989.

• (1835)

I can assure this House, all the dairy farmers and the opposition that we will continue to strongly defend Canada's tariffication approach on all supply-managed commodities.

HEALTH

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Madam Speaker, my question is for the Parliamentary Secretary to the Minister of Health.

On March 27 of this year, Statistics Canada released its study on 39 medical procedures performed in hospitals across Canada. One of the procedures studied was hysterectomies. The hysterectomies that are performed on the women in my riding of Cumberland—Colchester are at a very high rate, as a matter of fact an alarming rate, the highest in the country. We have almost 1,137 hysterectomies performed per 100,000 women, when the national average is approximately 437.

In the county next to mine, Annapolis Valley, the rate is 137 per 100,000 women. That is a significant spread. Ten times more hysterectomies are performed in Cumberland County than in Annapolis County and they are in the same province of Canada.

This is a health issue. We know there are major causes of female problems that warrant hysterectomies. The number one cause is cancer of the ovaries, the cervix or the uterus; trophoblastic disease is another cause; fibroids; endometriosis; birth control in women where pregnancy would have meant certain death; and a few other reasons, such as Down's Syndrome, resulting in mentally handicapped children.

Hysterectomies are a very normal procedure, but they are an invasion of women's health. That concerns me very definitely and very sincerely.

We have tracked down the sincerity and the integrity of these numbers. They originated in the Department of Health in Halifax, Nova Scotia, and they have been tracked to the hospitals. The numbers have great significance, they have integrity and they are valid.

My question for the parliamentary secretary is, will we investigate this phenomenal anomaly, which is very significant to the invasion of women's health? Whether it is due to overzealous doctors looking for cash crops on surgical procedures or whether it is due to fundamental underlying health problems for the women of Cumberland County, I would ask the parliamentary secretary to pursue this great anomaly.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, the hon. member asks a very interesting and a very pertinent question. It is one in which we are very interested at Health Canada, mainly because it has to do with the issue of the health of Canadians and of Canadian women.

Before I speak any further on the issue, I want to tell the hon. member that the issue of the number of services delivered has to do mostly with provincial governments and the medical profession. Therefore, that is not something I can comment on. At the same time, I can tell the hon. member that variations by region and by area may sometimes have some very valid reasons in specific interventions in health.

Be that as it may, the federal government is very interested in overall health care servicing: the type of services we get and the quality of services given across the country. We are working with provincial governments and with health care providers to find out how it is we can improve the quality of care and the appropriateness of service.

For example, the Minister of Health has just given money to the Canadian Medical Association to provide Canadian clinical practice guidelines. We need to look at the appropriateness of care to set clear guidelines and priorities for care so that we are

doing the right things to the right people at the right time. This kind of thing is what we are interested in dialoguing on, an evolving evaluation of care, et cetera.

With respect to the issue of women's health, that is of great concern to us. The minister has committed herself to looking at health issues. We have not done enough research and enough work on women's health issues to be able to assess hysterectomies, the validity of them, when they should be done and how often they should be done. We are going on very old data. We need to set up centres of excellence for women, which we are committed to, which will investigate, do the research, get the data and look at the appropriateness of care for women in this country.

I am glad the member asked the question because we believe it is something we need to look at. We have already embarked on the kinds of dialogue we need with the providers and with the provinces to ensure that we provide appropriate care in this country.

• (1840)

[*Translation*]

YOUTH STRATEGY

Mr. Antoine Dubé (Lévis, BQ): Madam Speaker, on March 30, I asked the Minister of Human Resources Development a question on the effectiveness of his Youth Strategy. Of course, since his answer was not satisfactory and contradicted his own department's assessment of his own program, I would like to get back to this matter. Allow me to reiterate my quotes, taken from page 2–41 of the Estimates for the Department of Human Resources Development.

The first one stated that program evaluations revealed no significant improvements in terms of job opportunities compared to what could have been anticipated without the Youth Strategy program. The second quote, a little further along, indicated that the Canada–New Brunswick Youth Strategy also increased participants' dependency on social assistance. Still further along, the Strategy is described as not obviously affecting dependency on social assistance in Newfoundland. Participants and non–participants alike were more dependent on social assistance after the program. Considerable money was spent.

For example, the Canada–New Brunswick agreement provides that $120 million will be spent. The Youth Strategy program in Newfoundland will spend $56.6 million. If I have the time, I would like to give you some statistics for Quebec to show that young people's dependency on social assistance increased not only in New Brunswick and Newfoundland. I will give some statistics for Quebec.

In 1991, Quebec had 116,000 welfare recipients under 30 years of age. In 1995, we now have 140,000 young people on welfare, of whom 74,000 are under 25, if we want to correlate this with the figures from Statistics Canada used by the Department of Human Resources Development. I find it hard to understand, and I hope the parliamentary secretary will be more persuasive than his minister, that although according to a document prepared by the department, an internal assessment of this program shows there has been an increase in the number of young people on welfare, the minister says it is the best program in the world. I find that hard to believe.

There is also the fact that last year, we had cuts in unemployment insurance totalling $2.5 billion. Bill C–17 increased the waiting period for unemployment insurance benefits, reduced the benefits themselves, and also reduced the benefit period. As a result, there has been a significant increase, in Quebec and other provinces as well, in the number of people who go from unemployment insurance to welfare. The most frequent casualties of this situation are young people, because they have 40 per cent of the insecure jobs in Canada and are the first to be unemployed, and thus the first casualties of cuts in unemployment insurance. Their only alternative is welfare. I wish the parliamentary secretary would be a little more forthcoming than his minister about the assessment of this program.

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, first I would like to thank the hon. member for the sincerity expressed about young people. I know he is a member who truly cares about young people.

Going back to the original question about the programs in Newfoundland and New Brunswick, he said: "The results were devastating". That is why the Minister of Human Resources Development has decided to discontinue this ineffective initiative and to focus on what really works in this country for young people.

It is also important to remind the hon. member that this initiative dates back to the Conservative years. Our approach toward young people has changed quite drastically to the point at which if we look at budgetary items related to youth employment we have seen an increase over last year even though we must consider our fiscal situation.

The youth internship program is exclusively designed to help young people make the transition from school to work. Over 2,000 young Canadians will have benefited from our sectoral streams. By that I am referring to the programs launched in the environment, in logistics, in Canadian auto repair and services, electronics, electrical, manufacturing, tourism, all jobs with a

future. Also in the community and school based stream approximately 80 projects have been initiated. Over 4,000 participants have participated.

The funding for youth internship programs has been increased to $118 million in 1995–96 from the 1994–95 figure of $25 million. This speaks to the excellent record the government has established in the area of youth.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.46 p.m.)

HOUSE OF COMMONS

Wednesday, April 5, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

WILLIAM SHAKESPEARE

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to pay tribute to the Bard of Avon, William Shakespeare, whose birthday we commemorate on April 23.

A weekend of special events including a silent auction, a cake decorating contest and a gala birthday dinner will take place in my riding to mark this occasion. The Lakeside Seniors, and Hamlet School which is putting on a play, and many hundreds of people are involved in this celebration. I congratulate everyone who is involved in this, particularly Ted Blowes and Debra Huggins.

On the heels of this celebration, the Stratford Festival is opening its 43rd season which will take place on May 29. I encourage all members of the House and all Canadians to attend the productions this summer. I am confident it will be a theatrical experience to cherish.

Members of volunteer organizations are the very heart and support of this Shakespearian festival. This year the festival will be missing one of the western world's leading classical actors with the death of Mr. Nicholas Pennell. He will be missed this summer.

I wish the festival every success in the upcoming season as the Stratford adventure continues. I have put a playbill on each member's desk today.

* * *

[*Translation*]

LABOUR RELATIONS

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, Ogilvie Mills workers have, once again, demanded that the Minister of Labour table an antiscab bill aimed at businesses under federal jurisdiction. The minister responded like her predecessor, saying simply that she was reviewing the matter.

The government has been studying the issue for nearly a year and a half and the only reason for this delay is a total lack of political will. The federal government is quite familiar with the type of provisions already in effect in Quebec, Ontario and British Columbia.

The Bloc Quebecois, for its part, recently tabled in this House a bill which would provide adequate protection for the workers currently hurt by their employers' disloyal practices. The minister is quick to trample workers' rights, as she did in the rail labour dispute, but she is unacceptably slow in responding to their legitimate demands.

* * *

[*English*]

HEALTH CARE

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, half a century ago North America's first medicare plan, Saskatchewan Health Region Number 1, was established in what is now my riding.

It was an experiment, a prototype and it was a Godsend. It worked well and it cost little. This was partly because people accustomed to doing without medical care did not abuse or over use it and partly because it was run mostly at the local level by country doctors and municipal reeves.

Unfortunately, the lessons of the experiment were quickly forgotten. A great system was eventually suffocated by the cold dead hands of political and federal bureaucracy.

The Liberals say there is nothing wrong with our health care but Canadians know better. They know about the waiting lists and the lack of accessibility.

It is time to be bold, as our Saskatchewan predecessors were, and using common sense rather than grand schemes, revise the Canada Health Act to allow the provinces to bring health care back to health.

* * *

PARTRIDGE ISLAND

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, Transport Canada has declared surplus the land holdings on Partridge Island and Public Works Canada plans to dispose of the island.

Partridge Island, a small island in the middle of Saint John harbour, is a piece of Canadian heritage. It was used as a quarantine station and welcomed over three million immigrants and mariners between 1785 and 1942. Two thousand quarantined immigrants died on the island and their graves are located there. Partridge Island was designated a national historic site in 1974.

The year 1997 marks the official observance of the 150th anniversary of the great Irish famine. Saint John's Irish community will be marking the next three years on the island with special exhibits as well as an Irish homecoming and memorial service in 1997.

I, as well as the people of the most Irish city in Canada, Saint John, and the province of New Brunswick, call on this government to revisit the decision to sell this national historic site of Partridge Island. We ask that it be transferred to the Department of Canadian Heritage for preservation.

* * *

GRAND RIVER HOSPITAL

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I am pleased to inform the House of the birth in my community of the Grand River Hospital on April 1, 1995. This dynamic new beginning in health care in the Waterloo region came together with the amalgamation of the Kitchener–Waterloo hospital and the Freeport hospital. The Kitchener–Waterloo hospital and the Freeport hospital represent 175 years of caring with their unique strengths and proud history of service.

The new Grand River Hospital will be governed by one board of trustees and managed on two sites by one administration. It will continue to provide the high standard of quality, innovation and accomplishment to the residents of Waterloo region. What is unique about this event is that it was initiated by two former hospitals with the aim of delivering the best possible quality of service and maximizing existing resources.

The people comprising the leadership of the two former hospitals are to be commended for their vision in pioneering this union under the aegis of the Grand River Hospital. Their efforts are to be applauded by all Canadians.

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GOVERNMENT MINISTERS

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, the people of Guelph—Wellington know that leadership requires risk taking and real leaders do not back down from doing what is right. That is why they are proud of our Prime Minister, the Minister of Fisheries and Oceans and the Minister of Labour.

These leaders have acted and succeeded where many others would have failed. One has worked hard to make the world aware of the impact of overfishing. The other, knowing how the country was suffering, put an end to the rail strike.

These ministers could have listened to the usual negative remarks of the Reform Party and the destructive policies of the Bloc. Instead, they took risks and did what was best for Canada, because what they did was right.

We are fortunate they are our leaders who are not afraid to act. We thank them for standing strong.

* * *

• (1405)

[*Translation*]

INTERNATIONAL HAEMOPHILIA DAY

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, April 17 is International Haemophilia Day, and I would like to take this opportunity to pay tribute to the Canadian Haemophilia Society for its excellent work.

[*English*]

The Canadian Hemophilia Society was founded in 1953 by people with hemophilia as a self–help group. Today the range of people it helps and the ways in which the help is offered have broadened considerably.

In the 1980s about 40 per cent of hemophiliacs and 1,200 other Canadians became infected with HIV through contaminated blood. The primary goal of the Canadian Hemophilia Society is to ensure safe access to the Canadian blood supply.

[*Translation*]

Much progress has been made. Today, thanks to greater awareness and technical developments, the risks of contamination through blood transfusions are almost nonexistent.

[*English*]

We can all help too by donating blood, time, or money. After all, we are all related by blood.

* * *

[*Translation*]

BURUNDI

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, yesterday, referring to the current tensions in Burundi, I asked the Minister of Foreign Affairs whether he recognized that concrete action was urgently needed, by supporting the deployment of a monitoring force in that country among other things, as the Burundian ambassador to Canada requested on March 23 before the Standing Committee on Foreign Affairs.

In response, all the minister said was that no request had been received from the Government of Burundi along the lines of the moving plea made by the Burundian ambassador. The minister should know that the Government of Burundi has no leeway.

This response from the minister confirmed our worst fears. This government is turning a blind eye to the tragedy waiting to happen in Burundi. The optimist front put up by the minister, who talks about an illusive will to reconcile, brings back sad memories of the tragedy in Rwanda, where the international community was confronted with a crisis it was unable to prevent.

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[*English*]

CANADIAN CANCER SOCIETY

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, April marks the beginning of spring, a time for new growth and a time of hope. It is particularly fitting that April is Canadian Cancer Society month.

The society works diligently to find a cure for cancer, to open the pathways of discovery and to change the lives of Canadians. Thousands upon thousands of Canadians benefit every year from the research the Canadian Cancer Society performs.

Since 1948 the society's fundraising month of April has brought Canadians together to contribute to the fight against cancer. Last year more than $44.2 million was raised during the campaign. This year's goal is $47.6 million.

I ask that my colleagues in the House join with me in supporting this society for even one of our own members in this House, the hon. member for Nepean, is now recovering from this scourge.

With the work of the Canadian Cancer Society and the will of the Canadian people, cancer will be beaten.

* * *

INTEREST RATES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, the Liberal interest rate policy is killing the hopes and dreams of Canadians to own their own homes. As well it is severely hurting our Canadian economic recovery.

Since the Liberal government jammed the interest rates upward last fall, the result has been that the last half of 1994 was the most brutal on record for house sales. The high unpredictable interest rate policy is also forcing residential construction into a nosedive which is costing thousands of jobs.

This Liberal government has not learned its lesson from the last time it was in office when its high interest rate policy caused the 1980 recession.

I am telling the Liberal government to listen. High interest rates mean fewer home sales, less consumer spending, smaller economic growth and fewer jobs. The Liberal high interest rates are wiping out any chance Canada has of seeing an economic recovery and it is hurting families desperately.

Canadians are worried about their future, but this government is not interested in home buyers or Canadian consumers. It is only interested in keeping the banks and the moneychangers happy and wealthy.

* * *

[*Translation*]

CANADIAN CITIZENSHIP

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, a ceremony was held today in the Hall of Honour to reaffirm our Canadian citizenship. That ceremony gives us an opportunity to show the importance which we attach to our rights, our privileges and our responsibilities as citizens of this great country.

I want to thank the Liberal member for Don Valley North for organizing a ceremony which allows all of us, in spite of our cultural diversity, to get together and to show how proud we are to be Canadians.

[*English*]

This reaffirmation marks not only the importance of staying united in order to be prosperous, but proves once again to the world that Canada and its citizens are number one in this Parliament. We should be proud of our accomplishments as a young nation providing world leadership and an enviable quality of life.

Vive le Canada. Long live Canada.

* * *

[*Translation*]

YOUNG QUEBECERS

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, we recently learned that 92 per cent of young Quebecers between the ages of 18 and 35 feel happy and are primarily concerned with the work world.

• (1410)

It must be pointed out that separation is not one of their priorities. In fact, the separatist movement is in rough shape these days. A study conducted by McGill University confirms that support for separation among young Quebecers has drastically diminished since the 1980 referendum.

The Liberal government is doing something about the concerns of that generation by creating jobs, while the Bloc Quebecois and the Parti Quebecois are stuck with their outdated option.

Young Quebecers are happy in Canada and they want to remain part of it because they know that it is the best country to live in. Again, we can clearly see that the separatists are totally disconnected from the real concerns of young people.

S. O. 31

BLOC QUEBECOIS

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, what is it about Ottawa—its air, its bilingual culture, its architecture, its tulip festival or the Rideau Canal—that makes more and more members of the Bloc Quebecois want to settle here permanently?

Two days before their convention, we learn that a few Bloc Quebecois riding associations want to change the status of the party to make it permanent.

This sudden interest in Canadian politics is surprising, to say the least, particularly in the light of the remarks made by the leader of the Bloc Quebecois on November 27 to the effect that the members of the Bloc were not sent to Ottawa to make a career out of it, that the situation could never become permanent.

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CANADIAN BROADCASTING CORPORATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, yesterday, Michèle Fortin, Vice-President for Television, at Radio-Canada, spoke to the metropolitan Montreal Board of Trade. Some of her remarks echoed concerns of the Bloc Quebecois about broad, varied and accessible television programming. In addition, she reiterated her warning about the cuts to Radio-Canada announced in the budget. She noted that the SRC is of vital importance to francophones in Quebec and elsewhere in Canada, having a much greater impact on its audiences than the CBC does on anglophone audiences.

Now that Mr. Beatty is ready to implement the budget cuts, it is essential that he not lose sight, in making his decisions, of the performance of French television and of the success it enjoys with its audiences. Draconian cuts to the French network will jeopardize the growth and development of our culture.

* * *

[*English*]

POST POLIO SYNDROME

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, new midlife medical nightmares are surfacing, but childhood cruelty still revisits polio victims.

Post polio syndrome undermines an adult future so many of us take for granted with healthy active lives and being in charge of our futures. It is not so for these adults who are stricken with PPS. Muscular weakness, fatigue, joint pain and respiratory problems result in necessary and dramatic lifestyle changes.

Today I acknowledge the courage of Dodie Spittal, Charly O'Brien, Reny Chamberlain and Vern Hamm. They are with us today and bring their stories of post polio survival to Ottawa.

I also salute Paul Martin, Sr., responsible for ensuring that hundreds of thousands of Canadian children received the Salk vaccine. His tenacity in securing the vaccine was evident in his remarks taken from the Calgary *Herald*: "On the basis of this extensive experience and the safeguards provided, it is the unanimous feeling of the provincial health authorities that the vaccine is safe and no changes in the immunization program are contemplated".

Polio is not—

* * *

[*Translation*]

BLOC QUEBECOIS

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the leader of the Bloc quebecois has always maintained that the Bloc quebecois was in Ottawa on a temporary basis. Last fall, he said, and I quote: "And to make the options quite clear, I think Quebecers should realize, if they have not done so already, that the Bloc quebecois is not an accessory that comes with federalism as well as sovereignty; you cannot be a federalist and expect to keep the Bloc quebecois in Ottawa indefinitely".

Today, a number of BQ riding associations want to make their party permanent. The leader of the Bloc quebecois will have a difficult choice to make: maintain his vision of a temporary party or respond to the wishes of the grassroots and stay in Ottawa indefinitely.

* * *

[*English*]

FORD WORLD CURLING CHAMPIONSHIPS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, from April 8 to April 16, the 1995 Ford World Curling Championships will be held at the Keystone Centre in Brandon, Manitoba.

Leading the event will be the Canadian men's and women's champions, all behind the broom and delivering from the province of Manitoba.

• (1415)

Skipping across the world we will see over 30 countries in the hack, sliding, sweeping and spieling for the world title.

Second to none, this international event will be attended by over 12,000 fans per day, drawing weight from over 1,000 international visitors at each end.

Third in the history of Brandon's hosting of national and international curling events, countless exhibits will be featured at the curling world with the first ever Olympic flag flying overhead.

Off the ice and out of the rink, during the day and well into the night, I invite and encourage everyone to get involved in the nine fun–filled days in Brandon, the button of world curling.

* * *

LIBERAL PARTY

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it was quite a sight yesterday to see the Liberal cheerleaders celebrating the Prime Minister's 32nd anniversary as a member of Parliament. Imagine our surprise when we learned that the Prime Minister was elected on April 8, 1963, not April 4, and that he has been an MP for 28 years, not 32.

I guess the health minister was too busy trying to protect her own job to check the facts. Actually, it comes as no shock to Reformers that the Liberals have such trouble with numbers. After all, this is the same party that gave us a massive deficit, a huge public debt and out of control government spending.

The Prime Minister shrugged off the mistake, saying what is four days among friends and that there is not much difference between 28 and 32 years. Numbers are important and I have a few that this government should take note of.

The national debt is $548 billion. The federal government spends nine times as much on debt payments as it does on education and five times as much as on health. The national unemployment rate is 9.6 per cent and 1.5 million people in this country are unemployed.

ORAL QUESTION PERIOD

[*Translation*]

FISHERIES

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the government continues to claim that the agreement in principle reached by Canada and the European Union will soon lead to a genuine agreement. However, Spain and Portugal have rejected the very terms of the agreement in principle.

My question is directed to the Minister of Fisheries and Oceans. Could the minister report on the status of negotiations between Canada and the European Union and tell us whether the problem is still the introduction of enforcement and conservation mechanisms?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the Prime Minister has spoken to the president of the EU commission. Negotiators are meeting again today, and conservation of the resource is a priority. Our main

objective is to obtain an agreement with teeth on conservation and enforcement.

[*English*]

Canada remains committed to an effective conservation regime. I can say to the Leader of the Opposition that we have negotiated in detail what we consider to be an effective enforcement and conservation regime. What we are waiting on now, as the opposition leader will know, is for the rather complex and difficult and may I say time–consuming workings and mechanics of the European Union to conclude the process at that end.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think we all support the efforts of the government and the minister, who by the way has done a very good job, to provide partners in the fisheries, the various countries that are part of this operation, with a vigourous enforcement mechanism to preserve the resource.

However, that being said, what reason does the minister have to be optimistic that he will manage to get this kind of result, when two member countries of the European Union, Spain and Portugal, who happen to be the main parties concerned, have rejected the very terms of the draft agreement?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the government has noted before and notes again today the clear support of the Bloc Quebecois and the Leader of the Opposition for the position the government has taken.

The Leader of the Opposition gave advice to the government some time ago. He said it would take a mixture of firm resolve, firm action and diplomacy to bring about a successful conclusion to this dispute. That is precisely the manner in which the government is approaching this problem.

I would say to the Leader of the Opposition that Canada is negotiating bilaterally with the European Union. The bilateral negotiation with the European Union has shown great progress. It is not yet complete but progress is made every day. A detailed text is now on the table. Frankly it is a matter for the European Union to ensure that each of the member states complies with all the clauses contained in the draft agreement.

• (1420)

For the moment we still do not have the formal acceptance of the European Union of the draft agreement.

I can tell the Leader of the Opposition that the negotiators by and large have finished their work and have put forward a joint draft text. It is a text that meets the objectives of Canadians from coast to coast to coast. We expect the European Union to do as we shall do, embrace it with both arms.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister is of course right when he says that we are negotiating bilaterally with the European Union as a comprehensive unit, but how does he expect to overcome the problem arising from the fact that yesterday, the representative of the European Union made it quite clear that he could not conclude an agreement without the support of member countries Spain and Portugal?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, Canada has negotiated in good faith.

Canada has never approached the negotiation from any perspective other than that of achieving a conservation regime, a means of preventing further destruction of fish stocks and the rebuilding of the six species now under moratorium.

The response from around the world has been tremendous, including that of the vast majority of EU member states. Populations are generally saying this is right, this is good, this is a question that affects the common heritage of mankind.

Even where the political will may be somewhat lacking, the public expression of a commitment to preserving a resource that belongs to the planet will win out and we will have an effective regime agreed by both sides.

* * *

[*Translation*]

CANADA SOCIAL TRANSFER

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the Minister of Finance.

By setting up the Canada social transfer as a block payment for health care, post–secondary education and social assistance, the federal government has given itself more power to impose national standards while continuing to reduce transfer payments for these programs.

Will the Minister of Finance admit that the Canada social transfer will allow him both to continue reducing transfer payments to the provinces and to tighten his grip on social programs under cover of the new standards being planned now for health care and eventually for social assistance and post–secondary education?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, in the last budget, we gave the federal and provincial governments a mechanism to tailor their deficits to their financial means. It was very clear that this was a joint effort, and we gave the provinces the requisite prior notice.

The issue of national standards is very clear. We said in the budget that we were not going to abolish the Canada Health Act nor tamper with the issue of residency for social assistance. The Minister of Human Resources Development will negotiate all other issues with the provinces. He is going to sit down with them and discuss the issues.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, two things are clear. First, the Minister of Finance is cutting transfer payments, second, he is trying to get a stranglehold on provincial programs to serve his own purposes. Everybody agrees that this much is obvious.

Some hon. members: Hear, hear.

Mr. Gauthier: Will the Minister of Finance admit that withdrawing his financial commitment and changing the rules go hand in hand? He is putting this in practice now with the Canada social transfer, in order to give himself the means to ensure compliance with current and future national standards, for example in the areas of health care, post–secondary education and social assistance.

Will he at last reveal his intentions?

• (1425)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the one thing that is clear to me is that we have given the provinces what they asked for: flexibility to reduce their costs. We have given them the flexibility that they need to improve the management of their programs. Therefore, we have met the expectations of the provinces and of Canadians.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, three of my Reform colleagues have just returned from a fact finding tour of the indiscriminate logging that has taken place on the Stoney Reserve in Alberta.

The member for North Island—Powell River, who has over 20 years of forestry experience, said he has never witnessed as much timber cut in one place at one time.

The minister of Indian affairs, through the Indian Act and the Indian timber regulations, has a legal obligation to ensure sound logging practices and prevent environmental disasters on reserves. The minister knew about the logging on this reserve yet did nothing to stop it.

Why did the minister not act to prevent the destruction of the forest on the Stoney Reserve in Alberta?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the assertion of the Reform leader is incorrect. We did act. We do have someone on site. We

have a forester there. We have fly–overs. I went out personally and told the chief what I thought of what he was doing.

We are meeting with the chiefs. I do not think what they did was correct. We told them so very forthrightly. If they do the right thing, as they do in northern Saskatchewan or at the National Forestry Institute that the aboriginal people have, then we will support them. However, when they do it incorrectly we are there to tell them so.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when I asked why the minister did not act I meant why does he not enforce his department's own forestry management plans?

The department issued permits for 600 truckloads of logs per year. Since last spring, however, at least 14,000 truckloads of old growth forest has been harvested. Department officials knew of the flagrant violations of the management plan but refused to stop it.

Why did the minister's officials not discharge their responsibilities to ensure sound logging practices on the Stoney Reserve in Alberta?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, there is an under–assertion that these were totally aboriginal people. White cutters came to the native people and said: "Here is the money, let us take your trees".

Let us talk about who these people are. They are not specifically aboriginal people. If you do not want to listen, fine. However, if you want to hear the answer I will give it to you.

The RCMP are on the reserve investigating. I cannot get involved with the RCMP investigation in any way, shape or form. Charges may or may not be laid. However, we went in there with force and we do not think what was done was right.

The Speaker: Ever so gently, I remind members to please address your answers and the questions to the chair.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we are not blaming the people on the Stoney Reserve. We are not blaming anyone. We are asking how come the department itself did not enforce its own rules.

Through the inactions of the minister and his department, he has permitted the destruction of an old growth forest on the Stoney Reserve. Because of the federal government's apparent unwillingness to treat all Canadians equally with respect to environmental regulations, Canadians have lost trees that stood for centuries. This cannot be allowed to happen again.

How does the minister intend to ensure that the forest management plans endorsed by his department are not only sound but strictly enforced?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, once again the leader of the Reform is talking out of both sides of his mouth.

At his press conference when he tried to explain his policy, which no one understood, he said that my department has to be dismantled and decentralized in its function of funding transfers to local aboriginal agencies and governments.

Some hon. members: More, more.

Mr. Irwin: Having said that, he sent his Greek chorus throughout B.C. This is what the church said about what they have done.

• (1430)

"The Anglican bishop for northern B.C. has accused the region's Reform MPs of breeding unnecessary fear about the Nishga land claim negotiations. A series of public meetings sponsored by Skeena MP, Mike Scott, is spreading half truths and anxieties among whites about the Nishga land claims".

"The Bishop of Caledonia, Don Hannen said that that is exactly what is being done here today". It is always the Indians' fault, nobody else's. These are half truths.

The Reform leader should talk to his minions and have them go out there and tell the truth to the people of Canada.

The Speaker: I am sure there is no question that all members are interested in the truth. We speak the truth in this House.

* * *

[*Translation*]

WINNIPEG JETS

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development and Minister of Western Economic Diversification.

The future of certain Canadian team franchises in the National Hockey League may be jeopardized by financial difficulties and limited markets. According to some sources, the Minister of Human Resources Development promised to give the Winnipeg Jets $10 million in federal funds for the construction of a new amphitheatre.

Does the minister responsible for Western economic diversification confirm that discussions took place or are under way to grant $10 million to build a new amphitheatre for the Winnipeg Jets?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to confirm that the private sector group that is engaged in raising private sector funds has made an application under the infrastructure program similar to those applications that were submitted by the cities of

Quebec, Calgary, Edmonton and many others for similar help in developing facilities.

I would suggest that the private sector initiative in Winnipeg is no different from that which took place in the member's home city.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I gather that the answer is "yes" for the Winnipeg Jets.

Is the minister in a position to confirm that, depending on the results of the provincial election in Manitoba, the federal government could contribute as much as $20 million?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member will recall very well how the federal government was a major contributor in his home city for the development of the Centre de congrès, which is a very important addition to that community.

A number of other cities across the country have benefited from both the development of job creation and also the development of new facilities coming out of the infrastructure program.

It is certainly the right of any city to make an application on infrastructure. That is what they are doing in Winnipeg. They are simply following the good example of the good people of Quebec City.

* * *

INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, my question follows the question from my leader and is for the Minister of Indian Affairs and Northern Development.

I would like to quickly say that we foster sensible dialogue, and in our aboriginal town halls in British Columbia offered a very welcome and refreshing point of view.

I would like the minister, in response to the question about the Stoney Reserve, to tell the House the current market value of the timber removed in the last year and how he intends to collect revenues lost to the band plus the reduced stream of future revenues accruing to the band, which has now been lost.

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the hon. member from the Reform is asking for a quite a bit of detail.

I would appreciate if he would let me know about this detail before question period. I will take the question as notice and get him as much information as I can.

• (1435)

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the timber removed from the reserve in the last 12 months conservatively exceeds $35 million. The minister's department knew logging at Stoney Reserve exceeded the permits last April, one year ago.

Can the minister tell the House who is liable for these lost revenues?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I have already responded to the Reform leader on three separate questions. My friend should read the notes when they come out.

I might add this. This is the same member who said when we brought in the Sahtu legislation that the sky would fall, but it did not. This is the same member who said when we brought in the Manitoba dismantling that the sky would fall, but it did not. This is the same member who said what we did in the Yukon would not work and it has. This is the same member going around B.C. saying land claims should be stopped in B.C.

We did not listen to him on three separate occasions and we are not going to listen to him now.

* * *

[*Translation*]

CIDA

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

CIDA recently announced, at a week's notice, its intention to stop funding organizations involved in public awareness of international development that do not participate in overseas projects.

Does the Minister of Foreign Affairs not realize that, in so doing, the government is chopping nearly half the international development network available to NGOs in Canada, although funds provided to these organizations amount to only half of one per cent of the official development assistance budget?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member has to understand that choices had to be made and it was decided to focus on poorer countries. In

that context, CIDA was right of course in deciding to stop subsidizing public awareness organizations here, in Canada, because, if they realize how important public awareness of development assistance is, they do not have to be paid to do the job.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, how can the minister, after spending nearly $1 million on the Canadian foreign policy review, ignore a joint committee recommendation to increase funding levels for the Public Participation Program?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, numerous organizations, in Quebec in particular, but also across Canada, do outstanding work in international development. I am thinking of OXFAM Québec, the Léger foundation, the Lajoie foundation and many other organizations carrying out worthwhile development projects abroad.

What we are saying is that we will not only continue to support but in fact increase our support to these organizations in their development programs abroad. We hope that, as far as public awareness is concerned, this work can continue without Canadian organizations taking money that should normally go to the poorest of the poor in the neediest countries.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I am from Wild Rose and Stoney Reserve is in Wild Rose. I flew to that site myself just the other day. I know very little about logging so I took two experts with me who do know.

I have never seen such a mess in all my life. It is a disaster. It is worse than the cod. That is how bad it is. Why will the minister not stand on his feet and explain to the House why something was not done for 12 full months?

• (1440)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, why does the member not start pointing the finger at who actually went in there? B.C. cutters went in there, big time, with a heck of a lot of money for inducement. The logs have to be shared.

What happened there was not right. It was not all Indian doing. Where did those logs go? Those logs went to some big companies in B.C.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, maybe some day we can change this from question period to answer period.

I never said the blame was on anybody. I did not blame one individual. I want to know why this department sat back and let that go on for so long and did nothing?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will try to lower the rhetoric.

I refer to what Bishop Hannen of Caledonia said: "It is the duty of Christians to address more than 100 years of native injustice—

Some hon. members: Oh, oh.

* * *

[*Translation*]

CIDA

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs. We just learned that CIDA has completely cut its support to non–governmental organizations promoting public awareness to international development. That decision directly threatens the survival of over 80 of these NGOs in Quebec and in Canada, as well as that of the Quebec association for international co–operation organizations.

How can the Minister of Foreign Affairs justify cutting CIDA's support to NGOs promoting international co–operation, while awarding a generous contract of $99,510 to his friend, the unsuccessful Liberal candidate in La Prairie, Jacques Saada, for developing a simple communication plan on CIDA's program for the Maghreb?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I am pleased to tell the hon. member, who got elected the last time, that he had better be good and ready, because next time he will not get re–elected.

Some hon. members: Oh, oh.

Mr. Ouellet: He is not impressing his voters with this kind of accusations.

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I want to tell the minister that, in the meantime, he is financially supporting the Liberal candidate who was defeated in the October 1993 election, with the money of the taxpayers of Quebec and Canada.

Some hon. members: Hear, hear.

Mr. Bélisle: Will the minister confirm that, by setting the amount of the contract at $99,510, he was making sure that it would be awarded to his friend Jacques Saada, since, had he gone over $100,000, the contract would have had to be awarded through the tender call procedure?

• (1445)

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, it—

Some hon. members: Oh, oh.

The Speaker: We want to hear the answer. The Minister of Foreign Affairs has the floor.

Mr. Ouellet: Mr. Speaker, I am pleased to say that the contract was awarded in accordance with the established criteria—

Some hon. members: Oh, oh.

Mr. Ouellet: —that is the standards which were in effect at CIDA when the Leader of the Opposition was a member of the Conservative government. These criteria have not changed. They are still the same as when the opposition leader was a member of the previous government.

Mr. Saada is competent, he does an excellent job and he is being paid for the work he is carrying out.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, we hear an awful lot from the Liberal government about sustainable development.

I flew to Stoney Reserve last Friday. The sustainable cut on that reserve was 600 truckloads per year. What went out was 14,000 truckloads per year. Twenty–five to thirty years of sustainable wood went out in one year.

Why did the minister of Indian affairs allow this to happen?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will repeat the same answer. Why can that party not be so forthright in directing us and the Solicitor General to send the RCMP into B.C. and charge these companies there with the money, knowing what they were doing was incorrect? Why is that party not saying that? Why is it leaving the impression this is Indian wrongdoing?

There is a heavier onus on the cutters in B.C. from big companies who know the law, who have lawyers, who have money and have the skills to do exactly what they did. Their chainsaws did it.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, the minister would have us believe people from B.C. would float into the Indian reserve and take those trees out. Where is the responsibility of the minister? Where is the responsibility of Indian affairs?

Again, why did he allow this to happen on the Indian reserve when it is his responsibility to make sure it does not happen?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I hope this is the last supplementary. I want to advise the hon. member that as of March 31 the RCMP has been in, has made a seizure and has laid a charge.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

The Speaker: It is a good thing Wednesday only comes once a week.

* * *

BOVINE SOMATOTROPIN

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I do not know how I could have been so lucky to draw Wednesday to ask a question.

My question is for the Minister of Health. As the minister is aware, recombinant bovine somatotropin cannot be sold or used commercially in Canada.

• (1450)

Knowing the controversy surrounding the use of rbST, even among dairy farmers, can the minister tell the House about how her department is dealing with this decision and when Canadian dairy farmers can expect an answer on compliance from the Minister of Health?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, rbST has not been approved for sale in Canada. Its use is illegal in Canada.

Scientists at the Bureau of Veterinary Drugs are reviewing the drug. It will be approved only when the scientists have determined it is safe and effective.

At this time there also is a voluntary moratorium to which the company that would be producing rbST has agreed. However, the moratorium has absolutely nothing to do with the approval of the drug and the approval process under way at Health Canada.

* * *

[*Translation*]

GOVERNMENT CONTRACTS

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is directed to the Minister of Justice.

Since the Liberal government was elected in October 1993, the Minister of Justice has awarded 186 contracts for professional and special services, for a total value of $7 million. This money is used to fund criminological and legal research.

Could the minister tell us why individuals and companies from Quebec have obtained only 5 per cent of the value of these contracts awarded by his department, 15 times less than the percentage obtained by persons and companies in Ontario?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will be happy to take the hon. member's question under advisement and provide a detailed response to her as soon as possible.

An immediate response to the question is that much of the business of the Department of Justice has to do with retaining

lawyers in private practice to represent the interests of the government in cases from time to time. It may well be that much of that work is done in other parts of the country.

I will get the facts and respond to the hon. member in due course.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the minister will have to take my next question under advisement as well.

In the Ottawa–Hull area, it is even worse. The value of contracts awarded to Quebecers is around 2 per cent, as opposed to 98 per cent for Ontario. Furthermore, 99 per cent of all research papers are drafted in English only.

What explanation does the Minister of Justice have for this tendancy among his departmental of officials to prefer suppliers in English Canada and a unilingual English approach?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will take note of the question, I will get the facts and I will respond.

In the meantime, I am constrained to answer right off the top that the business of the Department of Justice is in both official languages.

* * *

INDIAN AFFAIRS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

In 1992 the Auditor General's report warned the Department of Indian Affairs and Northern Development needed to get a grip on what was happening in forestry practices on the reserves. That potential was there for what has happened on the Stoney Reserve.

Did you read that report? Did you pay any attention to that report?

The Speaker: I ask all hon. members to please address the Chair in their questions.

• (1455)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will give a couple of comparisons. We have a problem on the Stoney Reserve. I have been there, the police have been there and my ministry has been there. That problem has existed for one year.

The member stands up in the House, with all his truckloads going out last week for the first time from a First Nation in his riding; he has probably discovered the problem.

In B.C., where my critic sits—

Mr. Abbott: We are talking about Alberta.

Mr. Irwin: It is the same philosophy no matter where the Reform sits or where the Nishga sit, who have been trying to settle their claim on forestry for at least two decades. The Reform sits quietly while it represents the Nishga while a load of lumber leaves their territory every four minutes. Yet my critic and the Reform remain silent. I have been there and I am doing something about it. Maybe the Reform should do the same.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, after a year of this happening and the minister having had lots of time to look into it, could he assure us this is not happening anywhere else?

The Speaker: The hon. member for Beaches—Woodbine.

* * *

GOVERNMENT SPENDING

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, my question is for the President of the Treasury Board.

All Canadians want to ensure their tax dollars are used in a responsible way. Many complained that last minute shopping spree by departments at the end of the fiscal year should be monitored and controlled.

Can the minister outline what Treasury Board has done to put an end to the March madness spending binge?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I share the hon. member's concern about year end spending and so did the Auditor General of Canada in his two reports in the 1980s in which that issue was raised.

The Auditor General did not raise the issue in the sense that he criticized what the money was being spent on, as he said the purposes were well defined, but that there was a lot of spending toward the end of the year and we needed better cash management practices.

I am pleased to say we have instituted a 5 per cent operating budget carry forward for departments so they do not get into that year end spending spree. Furthermore, I have written my colleagues in the ministry and my deputy minister has written his counterparts to help ensure the procedure to cut out the year end spending rush is followed.

We have asked for audits of each of the departments and have asked that they be submitted by June 30 of this year so we can get better control of the cash management of taxpayers money.

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

This morning, Immigration officials were to deport another family of Romanian refugees, the family of Carmen and Alexandru Dima. This family, well integrated into Quebec society, had appealed, as a last resort, to the Minister of Citizenship and Immigration to intervene.

How can the minister justify his refusal to intervene on behalf of the Dima family, which had adjusted very well to life in Quebec, when he has intervened in other cases of families that could remain in Canada and have become well integrated?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member needs to become familiar with the immigration system and with the Canada–Quebec accord, because we determined that these individuals were not refugees. They had access to the best system in the world.

Mr. Dima appealed and applied on compassionate and humanitarian grounds to the department. We said there were no special circumstances precluding their return to Romania.

• (1500)

Mr. Speaker, it is up to the Province of Quebec to establish independent immigration. I had declared that the individuals were not refugees. We cannot allow everyone denied refugee status to be accepted as immigrants. Last year, 3,000 Romanians immigrated to Canada under the usual immigration process.

* * *

[*English*]

FORESTRY

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, my constituency, Kootenay East, and the companies and the loggers in my constituency consumed about 60 per cent of the logs that we are talking about.

They have a moral responsibility, but this minister has a legal responsibility for the fact that there was $35 million paid to the Indian band. Why will he not own up to that responsibility? I suggest that the minister's department has shown gross incompetence.

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I suggest once again that the Reform has shown its true colours.

I will repeat that the ministry is in there; we have a forester in there. We have fly–overs. We have the RCMP and a charge has been laid.

* * *

HEALTH

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is directed to the Minister of Health, who will know by media reports this morning that the Conservative government in Alberta has indicated that it is going to be asking for amendments to the Canada Health Act to allow for private hospitals and that the premier of Alberta is supporting a two–tier health care system.

She will also know that his supporters voted on the weekend to free abandoned hospitals for the private sector.

Since the Minister of Health has cut back so severely in terms of health care payments to the provinces, how on earth could she do anything to stop this erosion of medicare and health care in Canada that we have known over the last number of decades?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have repeated and repeated that we are going to ensure a healthy health care system by maintaining the principles of the Canada Health Act.

There is not one commission that has been called for across this country that has said that more money is needed. The B.C. Royal Commission on Health Care and Costs said it is more management that is needed, not more money.

We know that the premier of Alberta is advancing different propositions, and we will respond as we get these propositions.

Let me remind absolutely everyone here that the health care system does not become more affordable just by moving budgets, dollars and costs from the public sector to the private sector. It certainly does not and we will not allow that to happen.

The Speaker: This brings to a conclusion our question period.

* * *

PRESENCE IN GALLERY

The Speaker: My colleagues, I wish to draw to your attention the presence in the gallery of the Hon. Patricia L. Black, Minister of Energy of the Province of Alberta.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

NATIONAL DEFENCE

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, pursuant to Standing Order 32(2)(i), I wish to table in both official languages two documents describing Department of National Defence policies. One is entitled "Housing for the Canadian Forces" and the other is "Canadian Forces Compensation".

Mr. Speaker, I tabled both documents at once; therefore, I will now table the second document.

* * *

● (1505)

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 40 petitions.

* * *

CANADA ELECTIONS ACT

Mrs. Anna Terrana (Vancouver East, Lib.) moved for leave to introduce Bill C–320, an act to amend the Canada Elections Act (registration of political parties).

She said: Mr. Speaker, I am pleased to introduce a private member's bill entitled an act to amend the Canada Elections Act.

The intention of the bill is threefold. First, this bill amends the Canada Elections Act to allow registration of a political party by the Chief Electoral Officer when the party nominates candidates in at least 12 electoral districts throughout the country. This is down from a present requirement of 50 electoral districts.

Under the present act, the Chief Electoral Officer must de–register a party that does not meet the conditions set out in subsection 28(2) of the act. Formerly, it was at the discretion of the Chief Electoral Officer to de–register a party that failed to meet these conditions.

Second, the bill removes the obligation placed on the chief agent of a political party to liquidate the assets of that party when it is deleted from the registry of political parties by the Chief Electoral Officer of Canada.

Finally, the bill lowers the amount required for deposit with the returning officer at the same time the nomination papers are filed.

This bill has received widespread support throughout Canada. I would invite all members of this House to support this important democratic initiative.

(Motion deemed adopted, bill read the first time and printed.)

* * *

[*Translation*]

CRIMINAL CODE

Mrs. Christiane Gagnon (Québec, BQ) moved for leave to introduce Bill C–321, an act to amend the Criminal Code (juvenile prostitution outside of Canada).

She said: Mr. Speaker, I have the honour of tabling today a bill entitled: an Act to amend the Criminal Code (juvenile prostitution outside of Canada). This bill is intended to combat a criminal practice and to prohibit the use of prostitution services offered outside of Canada by persons under 18 years of age; the transportation of people to brothels outside of Canada for the purpose of having sexual relations with persons under 18 years of age; certain acts committed outside of Canada with a view to procuring the services of persons under 18 years of age. It is my dearest wish that all members of this House will support this bill.

(Motions deemed adopted, bill read the first time and printed.)

* * *

[*English*]

EXCISE TAX ACT

On the Order: Private Members' Business

Second reading and reference of the Standing Committee on Finance of Bill C–222, an act to amend the Excise Tax Act (extremity pumps).

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, there have been discussions among the parties. I think you would find unanimous consent that Bill C–222, standing on the Order Paper in the name of the hon. member for Nepean, an act to amend the Excise Tax Act (extremity pumps), be withdrawn and the order for second reading discharged.

The Deputy Speaker: Is that agreed?

(Order discharged and bill withdrawn)

* * *

[*Translation*]

PETITIONS

LACHINE CANAL CLEAN UP

Mr. Raymond Lavigne (Verdun—Saint–Paul, Lib.): Mr. Speaker, I would like to present a petition signed by 4,600 members of my riding who are petitioning the government to

proceed immediately with the clean up of the Lachine Canal. This canal is so contaminated that if a child falls in, we have to decontaminate him or her for fear of infection.

Once the canal is cleaned up, we could use it and the surrounding area for recreational purposes. Many jobs would be created both during and after the process. I would like to add that I fully support this petition.

● (1510)

[*English*]

GOVERNMENT SPENDING

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, pursuant to Standing Order 36, I am presenting a petition signed by petitioners in the Markham—Whitchurch—Stouffville area.

These petitioners call on Parliament to reduce the deficit by cutting wastage and reducing the overall expenses of every government department by at least 5 per cent.

RIGHTS OF THE UNBORN

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, pursuant to Standing Order 36, I rise to present a petition signed by the people from the city of Fredericton, New Brunswick.

The petition states: "Whereas human life at the pre–born stage is not protected in Canadian society, the petitioners pray and request Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings".

HEALTH

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, pursuant to Standing Order 36, I rise to present a petition signed by constituents of mine as well as from people residing in North Battleford, Aberdeen, Melville, Ituna, Herschel and other places in Saskatchewan.

This petition pertains to repealing Bill C–91, which has doubled the price of prescription drugs for Canadians and has put in jeopardy the drug plans of many governments in Canada.

This petition asks the government, which in opposition supported repealing Bill C–91, to keep its promise and to repeal Bill C–91.

CRIMINAL CODE

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, again pursuant to Standing Order 36, it is my honour to present a petition on behalf of now close to 27,000 residents of the Kamloops area who point out that they believe many violent offenders and sex offenders are being paroled prematurely and are being released without proper treatment and rehabilitation. They believe that those convicted of these types of offences should remain incarcerated until they have successfully undergone treatment and can demonstrate unequivocally that they have been completely rehabilitated.

Therefore, they are asking the House of Commons and the Government of Canada to change the Criminal Code to take whatever steps are necessary to ensure that these changes take place.

JUSTICE

Mr. Bob Kilger (Stormont—Dundas, Lib.): Mr. Speaker, pursuant to Standing Order 36, I would like to present a petition signed by well over 600 constituents in my riding of Stormont—Dundas. The petitioners ask the government to enact legislation to review the Supreme Court ruling rendered September 30, 1994, and enact legislation, which I am pleased to say we have, to redress the repercussions of this ruling.

The petition pertains to the drunken defence ruling made by the Supreme Court.

SAME SEX RELATIONSHIPS

Mr. Bob Kilger (Stormont—Dundas, Lib.): I have another petition, Mr. Speaker, signed by well over 70 residents of Stormont—Dundas who call upon the government not to enact legislation to amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships.

YOUNG OFFENDERS

Mr. Bob Kilger (Stormont—Dundas, Lib.): Finally, Mr. Speaker, some 400 petitioners ask the government to review and revise our laws concerning young offenders by empowering the courts to prosecute and punish the young law–breakers. The petitioners also ask that officials be allowed to release the names of young offenders and lower the age limit to allow prosecution to meet the severity of the crime.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 155 and 156.

[*Text*]

Question No. 155—**Mr. Althouse:**

For each of the last 20 years, what proportion of gross domestic product has Canada spent on: unemployment insurance programs; old age pensions; Canada pension plan; civil service pensions (including military, RCMP and parliamentary service); family allowance and/or child tax credits; health care; protection of property (police, military and prisons) and interest on debt payments?

Hon. John Manley (Minister of Industry, Lib.): The question concerns the relationship over the last twenty years of the size of selected federal government expenditure programs to the size of the overall Canadian economy, as measured by Statistics Canada's gross domestic product (GDP) estimate. The following table presents Statistics Canada estimates of GDP, values for the requested federal government expenditure programs and those values expressed in a ratio to GDP for the period 1975 to 1994. The table also includes notes briefly explaining the sources and certain aspects of the estimates which might influence their interpretation.

(millions of dollars)	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Gross Domestic Product	171,540	197,924	217,879	241,604	276,096	309,891	355,994	374,442	405,717	444,735
Federal Government Expenditures:										
1. Unemployment Insurance Benefits	3,155	3,332	3,904	4,507	4,030	4,332	4,757	8,454	10,062	9,859
% of GDP	1.8	1.7	1.8	1.9	1.5	1.4	1.3	2.3	2.5	2.2
2. Old Age Pension Benefits	3,753	4,305	4,692	5,238	6,085	7,020	8,213	9,304	10,137	10,999
% of GDP	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.5	2.5	2.5
3. Canada Pension Plan Benefits	527	775	997	1,246	1,535	1,903	2,321	2,873	3,485	4,045
% of GDP	0.3	0.4	0.5	0.5	0.6	0.6	0.7	0.8	0.9	0.9
4. Civil Service Pension Benefits	390	508	604	741	924	1,096	1,243	1,447	1,602	1,769
% of GDP	0.2	0.3	0.3	0.3	0.3	0.4	0.3	0.4	0.4	0.4
5. Family Allowance/ Child Tax Benefit	1,961	1,942	2,084	2,224	1,696	1,812	1,958	2,204	2,303	2,393
% of GDP	1.1	1.0	1.0	0.9	0.6	0.6	0.6	0.6	0.6	0.5
6. "Health Care"	2,781	3,305	3,129	3,849	4,202	4,391	4,741	4,620	6,197	7,060
% of GDP	1.6	1.7	1.4	1.6	1.5	1.4	1.3	1.2	1.5	1.6
7. "Protection of Persons & Property"	3,397	4,136	4,720	5,265	5,642	6,372	7,495	8,645	9,866	10,854
% of GDP	2.0	2.1	2.2	2.2	2.0	2.1	2.1	2.3	2.4	2.4
8. Interest on the Public Debt	3,705	4,519	5,101	6,410	8,080	9,897	13,739	16,675	17,412	20,897
% of GDP	2.2	2.3	2.3	2.7	2.9	3.2	3.9	4.5	4.3	4.7

(millions of dollars)	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Gross Domestic Product	477,988	505,666	551,597	605,906	650,748	669,467	674,766	688,391	711,658	748,606
Federal Government Expenditures:										
1. Unemployment Insurance Benefits	10,118	10,394	10,369	10,781	11,445	13,119	17,323	18,648	17,592	15,012
% of GDP	2.1	2.1	1.9	1.8	1.8	2.0	2.6	2.7	2.5	2.0
2. Old Age Pension Benefits	12,150	13,148	14,006	14,801	15,718	16,705	17,955	18,776	19,479	20,176
% of GDP	2.5	2.6	2.5	2.4	2.4	2.5	2.7	2.7	2.7	2.7

1. All series on benefits are taken from the income and expenditure accounts. Figures do not include administrative costs or any in-kind transfers.

2. "Health Care" and "Protection of Persons & Property" are functional expenditure categories from the financial management system. Figures include all expenditures in the form of transfers to persons, governments, businesses as well as direct expenditures on goods and services.

3. "Interest on the public debt" is from the income and expenditure accounts.

GST — Goods and Services Tax

(millions of dollars)	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
3. Canada Pension Plan Benefits	4,676	5,349	6,948	8,095	9,137	10,199	11,298	12,886	14,197	15,249
% of GDP	1.0	1.1	1.3	1.3	1.4	1.5	1.7	1.9	2.0	2.0
4. Civil Service Pension Benefits	1,961	2,168	2,400	2,626	2,845	3,000	3,453	3,724	3,923	4,108
% of GDP	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.6	0.5
5. Family Allowance/ Child Tax Benefit	2,492	2,524	2,552	2,595	2,634	2,711	2,824	2,870	5,302	5,296
% of GDP	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.7	0.7
6. "Health Care"	7,134	7,465	7,462	7,685	7,780	7,354	8,048	9,771	8,331	8,098
% of GDP	1.5	1.5	1.4	1.3	1.2	1.1	1.2	1.4	1.2	1.1
7. "Protection of Persons & Property"	11,876	11,986	12,962	13,440	14,441	15,175	14,995	15,368	15,822	15,368
% of GDP	2.5	2.4	2.3	2.2	2.2	2.3	2.2	2.2	2.2	2.1
8. Interest on the Public Debt	24,620	26,107	27,801	31,688	37,357	41,808	41,496	38,807	38,338	39,279
% of GDP	5.2	5.2	5.0	5.2	5.7	6.2	6.1	5.6	5.4	5.2

1. All series on benefits are taken from the income and expenditure accounts. Figures do not include administrative costs or any in-kind transfers.

2. "Health Care" and "Protection of Persons & Property" are functional expenditure categories from the financial management system. Figures include all expenditures in the form of transfers to persons, governments, businesses as well as direct expenditures on goods and services.

3. "Interest on the public debt" is from the income and expenditure accounts.

Question No. 156—**Mr. Althouse:**

For each of the last 20 years, what proportion of gross domestic product has Canada received in tax revenue from: individual income taxes; corporate income taxes; manufacturers' sales taxes; goods and services tax; payments for services rendered by federal agencies; contributions to Canada pension plan and contributions to civil service pension schemes (military, RCMP and parliamentary)?

Hon. John Manley (Minister of Industry, Lib.): The question concerns the relationship over the last twenty years of the size of selected federal government revenues to the size of the overall Canadian economy, as measured by Statistics Canada's gross domestic product (GDP) estimate. The following table presents Statistics Canada estimates of GDP, values for the requested federal government revenues and those values expressed in a ratio to GDP for the period 1975 to 1994. The table also includes notes briefly explaining the sources and certain aspects of the estimates which might influence their interpretation.

(millions of dollars)	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Gross Domestic Product	171,540	197,924	217,879	241,604	276,096	309,891	355,994	374,442	405,717	444,735
Federal Government Revenues:										
1. Personal Income Taxes	12,278	14,477	14,283	13,689	16,321	19,131	22,976	25,746	26,809	28,189
% of GDP	7.2	7.3	6.6	5.7	5.9	6.2	6.5	6.9	6.6	6.3
2. Corporate Income Tax – collections	5,224	5,483	5,251	5,174	6,219	7,865	9,134	8,525	9,152	10,573
% of GDP	3.0	2.8	2.4	2.1	2.3	2.5	2.6	2.3	2.3	2.4
3. Manufacturers' Sales Tax	2,971	3,911	4,284	4,766	4,592	5,174	6,200	5,846	6,411	7,353
% of GDP	1.7	2.0	2.0	2.0	1.7	1.7	1.7	1.6	1.6	1.7

1. All series are from the income and expenditure accounts with the exception of "Sales of Goods & Services", taken from the input/output Accounts. "Sales of Goods & Services" does not include sales by crown corporations with the exception of Atomic Energy of Canada and Cape Breton Development, which are classified as general government.

2. "Goods and Services Tax accrual basis" line #4, is taken from income and expenditure accounts. The figures are shown gross of the goods and services tax credit for lower income Canadians: of 1991 – $2,367 million; 1992 – $2,557 million; 1993 – $2,655 million; 1994 – $2,833 million; and of the goods and services tax transitional credit, to assist businesses to convert to the GST, estimated as 1991 – $900 million.

GST — Goods and Services Tax

(millions of dollars)	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
4. Goods and Services Tax – accrual basis	0	0	0	0	0	0	0	0	0	0
% of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5. Sales of Goods and Services	538	647	735	957	1,180	1,288	1,440	1,841	1,805	2,257
% of GDP	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.5	0.4	0.5
6. Canada Pension Plan Contribution	1,426	1,630	1,829	2,022	2,318	2,604	3,008	3,665	3,474	3,902
% of GDP	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.0	0.9	0.9
7. Public Service Pension Plan Contributions	995	1,077	1,186	1,187	1,117	1,199	1,521	1,602	1,653	1,739
% of GDP	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4

(millions of dollars)	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Gross Domestic Product	477,988	505,666	551,597	605,906	650,748	669,467	674,766	688,391	711,658	748,606
Federal Government Revenues:										
1. Personal Income Taxes	32,141	37,503	41,741	46,160	50,642	58,057	58,441	59,398	58,731	58,862
% of GDP	6.7	7.4	7.6	7.6	7.8	8.7	8.7	8.6	8.3	7.9
2. Corporate Income Tax – collections	12,130	10,608	10,882	10,095	13,061	12,747	10,159	8,334	8,672	12,096
% of GDP	2.5	2.1	2.0	1.7	2.0	1.9	1.5	1.2	1.2	1.6
3. Manufacturers' Sales Tax	9,015	11,841	12,726	14,329	16,253	14,030	0	0	0	0
% of GDP	1.9	2.3	2.3	2.4	2.5	2.1	0.0	0.0	0.0	0.0
4. Goods & Services Tax – accrual basis	0	0	0	0	0	0	17,544	18,466	18,887	19,966
% of GDP	0.0	0.0	0.0	0.0	0.0	0.0	2.6	2.7	2.7	2.7
5. Sales of Goods and Services	2,516	2,660	2,984	3,143	3,356	3,681	3,945	not available...		
% of GDP	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.0	0.0	0.0
6. Canada Pension Plan Contributions	4,346	4,721	5,393	6,023	6,694	7,782	8,396	9,025	9,517	9,969
% of GDP	0.9	0.9	1.0	1.0	1.0	1.2	1.2	1.3	1.3	1.3
7. Public Service Pension Plan Contributions	1,803	1,869	1,940	1,948	2,045	2,199	2,832	2,678	2,575	2,595
% of GDP	0.4	0.4	0.4	0.3	0.3	0.3	0.4	0.4	0.4	0.3

1. All series are from the income and expenditure accounts with the exception of "Sales of Goods & Services", taken from the input/output Accounts. "Sales of Goods & Services" does not include sales by crown corporaitons with the exception of Atomic Energy of Canada and Cape Breton Development, which are classified as general government.

2. "Goods and Services Tax accrual basis" line #4, is taken from income and expenditure accounts. The figures are shown gross of the goods and services tax credit for lower income Canadians: of 1991 – $2,367 million; 1992 – $2,557 million; 1993 – $2,655 million; 1994 – $2,833 million; and of the goods and services tax transitional credit, to assist businesses to convert to the GST, estimated as 1991 – $900 million.

GST — Goods and Services Tax

[*Translation*]

Mr. Milliken: Mr. Speaker, I would ask that the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*English*]

Mrs. Elsie Wayne (Saint John, PC): On a point of order, Mr. Speaker, pursuant to Standing Order 39, I placed question

No. 91 on the Order Paper on October 4, 1994. That was 186 days ago.

Last week, on the same point of order, the hon. parliamentary secretary to the House leader said that: "The Minister of Supply and Services has been working diligently", and that he would be in a position to answer my question soon.

It is my understanding that on all Order Paper questions the government does try to meet the 45–day period. One hundred and eighty–six days is an unacceptable length of time to respond to my question.

Would the hon. member please define what he means by "soon" and advise me as to when I will receive an answer to the question I asked six months ago?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am more than happy to assist the hon. member in carrying out her duties.

The minister, as I indicated, has been working diligently on this question. I understand that the answer is being sent to the office that reports to the House through me this afternoon. I hope to be in a position to provide the hon. member with an answer tomorrow.

• (1515)

If not, obviously it will be after the break. I hope it is tomorrow. I am doing my very best to see that is what happens.

* * *

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

FIREARMS ACT

BILL C–68—MOTION FOR TIME ALLOCATION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.) moved:

That, in relation to Bill C–68, an act respecting firearms and other weapons, not more than one further sitting day be allotted to the consideration of the second reading stage of the bill; and

That, fifteen minutes before the expiry of the time provided for Government Business on the allotted day of the second reading consideration of the said bill, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary for the disposal of the stage of the bill shall be put forthwith and successively, without further debate or amendment.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 188*)

YEAS

Members

Alcock	Allmand
Anderson	Arseneault
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Bakopanos
Barnes	Beaumier
Bellemare	Bevilacqua
Bhaduria	Blondin–Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Cauchon	Chamberlain
Chan	Clancy
Cohen	Crawford
Culbert	DeVillers
Dhaliwal	Discepola
Dromisky	Duhamel
Easter	Eggleton
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Godfrey
Goodale	Gray (Windsor West)
Harvard	Hickey
Hopkins	Ianno
Irwin	Jackson
Jordan	Karygiannis
Keyes	Kilger (Stormont—Dundas)
Kirkby	Knutson
Kraft Sloan	Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	MacAulay
MacDonald	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McKinnon
McLellan (Edmonton Northwest)	McTeague
Mifflin	Milliken
Minna	Mitchell
Murphy	Murray
Nunziata	O'Brien
Ouellet	Pagtakhan
Paradis	Patry
Payne	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Regan	Richardson
Rideout	Ringuette–Maltais

Robichaud
Rock
Serré
Skoke
St. Denis
Stewart (Brant)
Telegdi
Thalheimer
Torsney
Valeri
Verran
Wappel
Wood
Zed—133

Robillard
Scott (Fredericton—York—Sunbury)
Sheridan
Speller
Steckle
Szabo
Terrana
Tobin
Ur
Vanclief
Volpe
Whelan
Young

NAYS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Bridgman
Brown (Calgary Southeast)
Canuel
Chatters
Crête
Dalphond-Guiral
Debien
Dubé
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grubel
Guimond
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Morrison
Nunez
Penson
Pomerleau
Riis
Rocheleau
Schmidt
Solomon
St-Laurent
Strahl
Thompson
Tremblay (Rosemont)
Wayne
White (North Vancouver)

Ablonczy
Bachand
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yellowhead)
Brien
Bélisle
Caron
Chrétien (Frontenac)
Cummins
Daviault
de Savoye
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Grey (Beaver River)
Guay
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Laurin
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
Mercier
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Ramsay
Ringma
Sauvageau
Solberg
Speaker
Stinson
Taylor
Tremblay (Rimouski—Témiscouata)
Venne
White (Fraser Valley West)
Williams—100

PAIRED MEMBERS

Deshaies
Gaffney
Harper (Churchill)

Duceppe
Grose
Plamondon

● (1525)

[*English*]

The Speaker: I declare the motion carried.

* * *

FIREARMS ACT

The House resumed from March 28 consideration of the motion that Bill C–68, an act respecting firearms and other weapons, be read the second time and referred to a committee; and of the amendment.

The Speaker: When Bill C–68 was last before the House, the hon. member for Medicine Hat had seven minutes remaining for debate.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is unfortunate that I cannot give the speech I wanted to give today because the government has just invoked a form of closure, something that its members spoke out against very strongly in the last Parliament. I am going to speak out against that very thing right now.

● (1530)

Canadians feel very strongly about the whole issue of gun control. In particular, many people across the country are opposed to the whole idea of registration.

In my judgment, this is an extremely cynical and political move. Just before a break when MPs are going back to their ridings to consult with their constituents, the government invokes a form of closure. This prevents Canadians from having the full input and type of discussion they should have on an issue which is so important to them. The government is playing politics with this issue and I want to speak about that in a larger context right now.

As I mentioned, people feel very strongly about this issue. The country in many respects is split along rural and urban lines. I can see this whole issue being extremely divisive down the road if it is not handled properly.

That is why Reform has offered a very good reasoned amendment to split the bill in two. It would give people a chance to vote on the proposals that would bring in tougher sentences for crimes committed with the illegal use of firearms. That is something many Canadians agree with.

Where people differ from the government is on the whole idea of registration. If the government was going to be absolutely fair about this, it would recognize that there are two separate issues here and Canadians should have a right to vote on them separately.

I want to talk for a moment about the whole process leading up to where we are today. As a starting point, before the govern-

ment brings forward a piece of legislation which is so controversial and about which people care very deeply, I believe it is reasonable that the onus be put on the government to explain where the evidence is that points to registration being an effective way to curb crime.

We have asked many questions in this House on that issue. We have asked the justice minister on several occasions for the evidence. All he could do, as people would say when talking in a logic class, was make an appeal to authority, a false argument, that the police chiefs say it is a good thing to do, but there is no evidence. We have made that point over and over again. That is a very cynical move.

It is also very cynical how the whole consultation process was carried out. The minister did have some meetings with some groups over the course of the summer, which is great. However, when these meetings occur certainly there has to be some room for compromise. We cannot go in there with the attitude that we are not going to bend at all.

It got worse than that. After a while the meetings were by invitation. That is very cynical. People wanted to have a say but the minister said: "No, some people cannot come into these meetings because we want to make sure that things go our way". After that there is this omnibus legislation where the government tries to sell the good with the bad. Again, that is very cynical and very political and we absolutely disagree with that.

The final straw is time allocation right before a break. In this place, of all places, we should be talking about very important issues and MPs should be free to go back and talk about these things before they are set in stone. Unfortunately, members have been denied that opportunity because the government has invoked a form of closure.

We have spoken out time and time again on this issue. We have asked the government to produce the evidence that this will have an effect on crime. We have said that if it could produce the evidence it would have our support. However, the government cannot so we will not support it. That concludes my remarks.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to rise to support this bill today.

This bill represents the culmination of one of the points in the red book. I want to quote from the red book in this connection: "In order to combat crime, a Liberal government will work in a broad range of areas. To strengthen gun control, a Liberal government will, among other measures, counter the illegal importation of banned and restricted firearms into Canada and prohibit anyone convicted of an indictable drug related offence, stalking offence or any violent crime from owning or possessing a gun". That promise was included in the red book. That promise is being kept by this legislation today.

• (1535)

It is that legislation the Reform Party is trying to destroy with this phoney amendment which it put before the House today. Reform members have run across the country misleading Canadians, telling Canadians that the amendment splits the bill. That assertion is totally and completely false.

The hon. member for Beaver River has been away. However, she will have heard these false statements which are being made by her colleagues as to the effect of this amendment across the country. I know if she gets to speak later this afternoon, she will want to dissociate herself from those comments.

With respect to the bill, first I would like to deal with the allegations made by the hon. member for Medicine Hat about the use of time allocation in the debate this afternoon.

We have asked repeatedly for assistance in dealing with the bill. We have offered to sit late in the evenings in order to accommodate members who wish to participate in the debate. Those offers were declined, politely but emphatically, by the members of the Reform Party. So we need not concern ourselves about their genuine desire to debate the bill.

They are shedding crocodile tears this afternoon, alleging that they are having their debate cut off, but let me review the record. The bill was debated in the House on February 16 and February 27, March 13, March 27 and March 28 for a total debating time according to the official record of 17 hours and 46 minutes. Eighty–four persons participated in the debate before today. I am number 85.

An hon. member: That shows how much interest there is in it.

Mr. Milliken: The hon. member says that shows how much interest there is in it. It shows that a filibuster has been mounted by the Reform Party.

If we look at the number of speakers, 35 Liberals, 12 Bloc members, 34 Reformers, two New Democrats and one Progressive Conservative have participated in the debate so far. In other words, the Reformers have had almost every member speak, while on the Liberal side, despite the significant differences of view on this side, only 35 have managed to participate in the debate. This is nothing but a filibuster. The Reform Party is engaging in filibuster tactics and the government is taking a very sensible approach in bringing the debate to an end. The government is putting the Reform Party out of its misery.

So much for the argument about unfairness. The Reform Party has been offered an extra opportunity to debate this bill and it has consistently turned it down. The reason is that it wants the government to use closure. The Reform Party wants the government to bring an end to the debate so that it can get off the hook with respect to its rather ridiculous opposition to the bill.

The hon. member for Medicine Hat and dozens of other members from that party in particular have gone after the bill saying that there is no evidence that the proposals which the government has put forward will do anything to stop crime. I have some evidence and I would like to quote the evidence for hon. members, particularly those in the Reform Party and some doubting Thomases elsewhere in the House.

The proposal that the Minister of Justice has so courageously put forward, in spite of consistent and persistent opposition from Reformers and other people in the country, is based in part on our promise in the red book. It is supported very amply by the Canadian Police Association, whose members, after all, are experts in law enforcement. These are the people who enforce the Criminal Code across our country, yet members of the Reform Party trumpet themselves as experts on law enforcement. Most of them do not know a fig about law enforcement. They do not know anything about the subject, yet they rant and rave in the House all day that they want evidence.

I invite them to listen to the evidence of the president of the Canadian Association of Chiefs of Police. This gentleman, Mr. Vincent MacDonald, made certain statements after his association at its annual conference last August called for the following: stiffer penalties for firearms misuse; a ban on military assault rifles and replica firearms; registration of all firearms; controls on the sale of ammunition; and full cost recovery. Those were the five items called for by the Canadian Association of Chiefs of Police at its convention in August 1994. These are the principal frontline law enforcers in Canada and that is what they called for.

The hon. members in the Reform Party ignore these suggestions and all of them are found in the bill of the Minister of Justice which is before the House today. If they supported law enforcement in Canada, they would be supporting this bill. They are frauds in that connection.

The president of the association said: "We must emphasize that while it is, perhaps, controversial, we view registration of all firearms as pivotal to the entire package, critical to controlling the illegal gun trade, to supporting preventative action and to enforcing the law". There is evidence that this will work.

• (1540)

On February 24, 1995 Chief MacDonald said: "Registration of firearms will help control smuggling, gun theft and the misuse of legal firearms in a number of important ways". This is from an expert in the law enforcement field. Surely, members of the Reform Party would bow to the ability and competence of the president of the Canadian Association of Chiefs of Police and the collective wisdom of that body all of whom support this bill and believe that this bill is the right way to go.

I want to quote another statement from Chief MacDonald. He said: "As the U.S. example has shown all too well, arming for self–protection does not work but in fact escalates violence. For this reason, we believe Canada has a historic opportunity to chart a course that is different from the U.S. This legislation not only goes a long way to address current problems, but is an investment in our future". That is what the chief said; I submit that he was right.

If that is not enough to convince members of this House that this is the right way to go, one has only to look at the polls that have been conducted on this subject. I turn to the Environics poll of October 1994. Ninety per cent of Canadians supported a law requiring all firearms to be registered. In Quebec the figure was 95 per cent; Ontario, 92 per cent; British Columbia, 88 per cent; Alberta, 83 per cent.

Members of the Reform Party are forever boasting that they represent the wishes of their constituents. That is a false assertion. These members have no more interest in the wishes of their constituents than the man in the moon has.

The Reform member for Edmonton stood in this House and admitted that his own constituents in his own poll were 69 per cent in favour of the government bill. Yet he said: "I do not care what they say, I could not care less what they say. I am voting against it because, by George, I know better". Every member of the Reform Party is spouting the same stuff and nonsense. They may not use the same words. They cloak themselves in righteousness and say: "Oh, no. We are opposing this for good reason". But they know that their constituents support this bill. They know they would support it in overwhelming numbers.

If Reform members were doing what they say they always do, supporting and representing their constituents' interests, they would stand up and vote for this bill in droves. They would all show up. They would not pull that six and seven out of a total of 50 in the House which they pulled a weekend ago. They would all be here voting for this bill. Instead, all we hear is their ranting and raving and complaining about this government action on the bill and the very sensible proposals the Minister of Justice has put forward in this case.

I recognize there are deeply held views on this bill which represent significant differences of opinion on this subject. I can only say that the government has acted in the very best interests of Canadians in bringing this bill forward. It has brought forward a bill that is supported by the vast majority of the population in every region of the country. It has brought forward a bill that has been called for by the law enforcement experts, who more than any other in Canada know what is required to

deal with smuggling and illegal arms dealings and all manner of problems with guns.

This is a sensible bill. I realize there are going to be some changes made in committee. The minister has already acknowledged that he is willing to agree to certain changes to the bill in committee which will improve the bill.

The hon. member yaks about confiscation. He knows that when talking about confiscation he is only trying to stir up support for his party. He knows that at gun rallies he has been out selling Reform memberships in an effort to boost the sagging fortunes of the Reform Party. It is a shocking way to carry on.

The hon. member for Beaver River has missed some of the antics which have taken place in this House. I am sorry she did. She would have been ashamed of the conduct of most of her colleagues had she been here to watch the debate. I am glad she is back and I hope she will talk some sense to her colleagues because honestly, they need a good deal of it.

The fact is this is a good bill. It has garnered widespread support in the country. The Minister of Justice has proven time and again that he is willing to talk and be reasonable and flexible in respect of this bill. No minister has spent more time travelling the country seeking the views of Canadians than has the Minister of Justice. He has brought forward a bill—

Mr. Hill (Prince George—Peace River): He is not listening.

Mr. Milliken: The hon. member says he is not listening. He is not listening to them, that is for sure, because they do not represent anybody. They represent a small minority of people.

• (1545)

The vast majority of people support what the minister is doing. If the members of the Reform Party would look at the polls that their own member conducted and look at the national polls that have been conducted on this scheme, they would agree with everything I am saying, because they know I am right.

As I said, the Minister of Justice has indicated his willingness to make changes in this legislation. He has indicated that in committee he will listen to reasoned arguments. The committee is set up and ready to deal with this matter. It is prepared to hear a large number of witnesses. Indeed, the budget for the committee for the hearing of a substantial number of witnesses has already gone forward and is being considered by the budget subcommittee of the liaison committee.

I think this bill will be dealt with fairly. The owners of guns who have not yet had an opportunity to make their views known to the minister and to the Canadian public will have that opportunity before the committee.

Mr. Taylor: Every one of them?

Mr. Milliken: There will be ample opportunity there. There will be another debate in this House on third reading.

Of course, now we have the NDP getting into the act. This is the party that for decades has supported gun control and now all their members but one have shifted gears and gone backwards. They have all decided that this bill is not really what they wanted, even though it was in their party platform. They used to say they were bound by party conventions. Now they say they are not bound by party conventions; they are not bound by the obligations laid down at party conventions that have been set on their caucus.

Only the member for Beaver River will remember this. We used to listen in this House to the pontificating from the NDP about how they were so democratic; they did everything their party dictated. Now, today, we see them abandoning party principles; they have gone out the window. I do not think the NDP knows what a party principle is any more.

It is a most shameful abnegation of its responsibility to its members, because the members of the NDP in my constituency are strongly supporting the Minister of Justice in this gun control bill. They think their members of Parliament have gone wingy. I think they may be right. Things have really gone wrong over there. Only the member for Burnaby—Kingsway seems to have kept his head straight on his shoulders.

The hon. members of the Reform Party, who are supposed to represent their constituents, should be with the NDP on this one. It is unbelievable. I cannot understand how it is that two supposedly responsible political parties in this country could take such an irresponsible attitude in respect of such a significant matter of public debate.

We have had ample opportunity for debate on this subject for the last year. It has been debated in Parliament longer than any other bill in this Parliament already. The time for decision—

Mr. Harper (Calgary West): It has only been here for two months.

Mr. Milliken: We have been here for well over a year. The hon. member for Calgary West is saying it has only been a few months. He knows perfectly well that is not true.

We have been sitting here since February 1994. That is well over a year. That is a good long time.

Mr. Harper (Calgary West): When did you table the bill?

Mr. Milliken: January.

The hon. member has had ample opportunity to discuss this matter. They have had opposition days when they could raise this issue if they wanted to; yet we have not seen it then.

We have offered to sit at night. The hon. member does not want to do that either. Why? Because he wants to have days and days of filibuster and hold this bill up until next year or the year after.

The government is decisive. The government made promises in the red book. The government made promises to the people of Canada when it introduced this bill. The government knows how to govern. It will show leadership to Canadians and it will proceed with this bill. It will do a great job in enacting legislation that will help reduce crime in Canada and help to solve the problems confronting this country in a way that is meaningful and sensible, instead of the ranting, pillaging and raving the Reform Party is engaging in.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise today to participate in the debate on the government's gun control legislation, in particular to support the Reform amendment that the bill be split into two parts, each to be voted on separately.

In doing so I wish to vehemently protest the restrictions the government has placed on this debate in order to rush the bill through Parliament. It strikes me as supremely ironic that a government that seems incapable of imposing any kind of discipline on the criminal elements in society has no hesitancy about imposing a strict discipline on its own caucus and on the debates of this House.

For more than five years Reformers have been criss–crossing this country asking the question, what do Canadians want and, in particular, what kind of country do Canadians want for themselves and for their children as we approach the 21st century. One of the most frequent answers we get to that question is that Canadians want safe streets, safe homes and safe communities.

• (1550)

This was expressed to me very eloquently several years ago at a meeting in Toronto when in response to my questions, what do Canadians want, a man in the audience got up and said the following. He said: "Do you know what I want? I want my wife to be able to leave this hotel at 10 p.m. and go to our car in the parkade a block away without running the risk of being mugged, robbed or assaulted. I want the state to discharge the most elemental of its responsibilities, namely, its responsibility to protect the life and property of its citizens. I want to live in a country where the rights and security of law–abiding citizens and innocent victims of crime take precedence in criminal law and the Constitution over the rights and security of criminals."

There are not many MPs in this House who would disagree that increasing public safety must be a priority of this Parliament. The disagreements among us arise over what is the best way to achieve that result.

With respect to Bill C–68 and the motion to split it, the key question is this. What role does gun control have to play in making Canada a safer place? Two different answers to this question are being given in the 35th Parliament: the Reform position and the Liberal position. Canadians must decide which position maximizes public safety.

The Reform position, which has been stated eloquently by my colleagues, is that gun control will only contribute to public safety if its primary focus is on the criminal use of firearms. The diversion of police attention and financial resources into excessive regulation of the non–criminal use of firearms will not enhance public safety. Canadian voters are telling Reformers and pollsters that their number one priority for justice is strong action directed toward persons who commit violent criminal acts. Based on this position, Reform MPs have taken the lead in proposing measures to tighten up the regulation of the criminal use of firearms.

These measures include the following: implement a zero tolerance policy for criminal offences involving firearms; ensure that charges are laid in all firearms crimes and that plea bargains are not permitted; impose mandatory one–year minimum jail sentences for using any weapon in the commission of a violent crime; provide for progressively more severe penalties for repeat violent and firearms offenders; ensure that all sentences for violent crime and firearms convictions are served consecutively; provide for lifetime prohibitions from ownership of firearms for all persons convicted of violent crimes; impose the same penalty for the use of a replica firearm as for using a real gun in a violent offence; create a new offence of theft of a firearm sentence three to fourteen years; impose sentences of three to fourteen years for unlawful importation or illegal sale of a firearm for a criminal use; deem the seller of a firearm to a criminal as having aided in any future crime committed; and transfer young offenders to adult court for using firearms in the commission of an offence.

In short, the Reform Party is opposed to gun controls that are not cost effective in reducing violent crime, improving public safety and saving lives, and would repeal any gun control provisions that are not cost effective in reducing violent crime, improving public safety and saving lives.

The position that the Liberal government has taken on gun control is utterly predictable and typical of Liberals. If one comes to a hard choice between two options, in this case focusing scarce resources on regulating the criminal or non–

criminal use of firearms, the Liberals invariably say: "Do both, even if doing one hurts the other". They are following the advice of that great American philosopher Yogi Berra, who said: "If you come to a fork in the road, take it".

So the justice minister has brought forward this Bill C–68—*C* stands for compromise—20 per cent of it, under pressure from Reformers, contains partial measures for tightening up the criminal use of firearms, but 80 per cent of it focuses on increased regulation of the non–criminal use of firearms for hunting, recreational and collection purposes, including the establishment of a universal, national firearms registry reputed to cost anywhere from $85 million to $500 million. One reason for this wild variance in the cost estimates is because the Liberal government underestimates the number of firearms in Canada.

• (1555)

In 1976 a Department of Justice document estimated the number of firearms in Canada at 10 million, with about a quarter of a million guns being added to the stock each year. Using this estimate there should now be over 15 million firearms in Canada, but the justice minister says there are now only 6 million or 7 million guns in Canada.

Bill C–68 cannot be effectively evaluated or costed out unless and until the justice minister can explain where the other 8 million or 9 million guns went.

Reformers oppose the major portion of this bill for three reasons. First, the registry will not be universal. The criminals in whose hands firearms are a huge threat to public safety will unfortunately decline to register. The minister cannot understand why not. He will send polite letters to the Mafia and ads will be placed in the smuggler and gun runners digests, saying "Please, fill out these forms in triplicate in either official language and take them to the police". In the end the registry will omit the one group in whose hands firearms are most dangerous.

Second, the cost of implementing this bill will be far greater than what the minister says. Liberal cabinet ministers are notoriously inept at estimating cost. That is why the federal debt is almost $550 billion and the government will spend $35 billion more this year than it takes in.

The Reform caucus has developed a table of multipliers to help determine the real cost of any new proposal put forward by a Liberal cabinet minister. The more soft–headed the minister, the higher the multiplier.

The Minister of Human Resources Development, for example, is a 10. If he says something might cost $100 million, we multiply it by 10 because the real cost will be closer to $1 billion. The justice minister is not far behind. He is a 7. When he says his registry will cost $85 million, we multiply it by 7 and the true cost will be over $500 million, which is $500 million that we do not have.

The third and most important reason for opposing Bill C–68 as it is now is that the proposed national registry of firearms for hunting, recreational and collection purposes will not improve public safety. The present handgun registry, which has been in place for 60 years, has not improved public safety. The Washington, D.C. handgun ban and registry has not prevented murder and rape in that city from going out of sight. The police in both New Zealand and Australia have recommended abandoning their costly and ineffective gun registries for precisely this reason.

Despite repeated invitations to do so, the minister has put forward no evidence that his proposed registry will improve public safety, nor has he even proposed public safety measuring sticks against which the performance of the registry can be measured.

In conclusion, if what Canadians want are safer streets, safer homes and safer communities, if public safety is really our aim, then Bill C–68 should be split, as the hon. member for Yorkton—Melville has proposed. The ineffective national registration part should be defeated. The sections tightening up the criminal use of firearms should be strengthened and passed forthwith. This is the course of action that will truly make Canada a safer place to live.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I welcome the opportunity to speak on second reading of Bill C–68, an act respecting firearms and other weapons. In particular, I welcome the opportunity to speak to some of the points raised a moment ago by the leader of the third party. I will come to that in a moment.

This is an extremely important discussion, and strong feelings are being expressed by all sides in the House and by many Canadians.

Approval of second reading will in fact send this bill to committee for discussion and amendment, and then the bill will come back to the House for a final decision and we will all know what the facts are surrounding the bill.

What happens at committee will be extremely important in relation to concerns that Canadians are raising and the concerns that I have expressed with regard to this bill.

• (1600)

Constituents have raised their concerns with me with respect to their views on Bill C–68 and I have expressed them to members of my party. They also point out that they support certain measures in the bill to control crime, promote public health and safety and to impose stiff mandatory minimum jail sentences for a range of gun offences. There is strong support for that among my constituents.

My constituents also agree that the government should enact measures to strengthen border controls and amend the Criminal Code to address the problems of smuggling and the illegal

importation of firearms. Let me relate two of the four principles of the Firearms Act they strongly support.

I will come to splitting the bill in a moment. The splitting of the bill that the Reform Party talks about is nothing but misleading the public on the real intent of their amendment. The leader of the Reform Party stood up a moment ago and talked about moving toward safety measures. He had some good suggestions, I will admit, but the real intent of the amendment put forward by the Reform Party is not to split the bill but to destroy it. The good suggestions that the Reform Party leader talked about will not be put in the bill because the bill would be gone if we went ahead with the amendment.

Let me come back for a moment to the principles that have strong support in this bill. The criminal misuse of firearms will be dealt with through amendments to offence and sentencing provisions of the Criminal Code, including mandatory four–year minimum sentences for 10 specific violent offences committed while in the possession of a firearm. That is a good point.

The 10 offences are attempted murder, manslaughter, criminal negligence causing death, robbery, kidnapping, hostage taking, sexual assault with a weapon, aggravated sexual assault, extortion and the discharging of a firearm with intent to cause harm. Upon conviction, the offender will receive a lifetime prohibition against possession of a restricted or a prohibited firearm.

The second major important principle that there is strong agreement on is smuggling and illegal importation. Smuggling and illegal importations will be dealt with through legislative amendments and the development of programs for controlling the import–export and domestic transit of firearms, including border registration and new Criminal Code offences for illegally importing and trafficking in firearms. Those are good principles and I and many others in the House support them.

I will admit other aspects of the bill are much more controversial. They relate to the impact on legitimate gun owners, hunters, collectors and sports people using firearms. I have previously presented a petition on behalf of my constituents opposing the bill as currently drafted.

Let me go back to the points I raised then. The petition called on Parliament to "desist from passing additional restrictive legislation with respect to firearms or ammunition and to direct its attention to the apprehension and adequate punishment of those who criminally misuse firearms or other deadly weapons".

My constituents feel very strongly that the bill would not accomplish what the minister intended as currently drafted. They are concerned that law–abiding Canadians are already overburdened by unnecessary and ineffective gun legislation. They believe that the new proposals as currently drafted with the introduction of mandatory gun registration would punish the wrong people. Many of my constituents and other Islanders have concerns with this legislation.

I tabled that position and raised those concerns. Now I want to see that my constituents have the opportunity to go before a committee in the proper forum to express those concerns themselves or through their national organizations. I do not want it to be the same as what we have been seeing in the past where the Reform Party is using misleading amendments and holding meetings across the country for political reasons.

• (1605)

The party talks about crime. Every day its members stand in the House and say they are concerned about crime. The effect of their amendment would, in fact, destroy the opportunity of the bill going to committee and seeing that crime is controlled, including the misuse of firearms.

This is how misunderstood the Reform Party amendment is. Some of my constituents have suggested to me that I should support splitting the bill, believing that the Reform Party amendment will do that. It will not.

I listened closely to the leader of the third party. In his speech he went through a litany of suggestions to improve public safety. The amendment destroys that opportunity. I would suggest that the leader of the Reform Party re–read the amendment. Allow me to take a moment to emphasize to the leader of the third party what the amendment states: "this House declines to give second reading to Bill C–68". That would have the effect of destroying the bill. They know it. They are misleading the Canadian public. For the party that talks about crime control, it would have the opposite effect.

In conclusion, I want to see changes to the bill. Those changes can be made in committee. I suggest that the process is not all that it could have been; however, we have a bill before us that must be improved.

In discussions I have had with fellow MPs and the Parliamentary Secretary to the Minister of Justice, I feel I have been given assurance that the bill will be decriminalized with respect to legitimate gun owners, collectors, sports people and hunters, at least on their first offence. With that assurance, I am willing to support the bill going to committee to be improved so that it meets the needs of all Canadians.

I am really disgusted that the Reform Party has tried to turn this, by its amendment, into a political game. However I guess that is life in the world of politics. Reformers are misleading Canadians as to where they really want to go.

By this bill going to committee it will give Canadians the chance to voice their concerns in a public forum, before a legitimate committee, so that the bill can be improved to meet the needs of all Canadians.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased to be recognized but not very happy to be speaking at second reading stage of Bill C–68, the federal government's ill–conceived firearms control legislation.

I am especially not happy to be here speaking today now that the government has invoked closure on the bill. It has cut off debate in the House so the parliamentarians who have been talking to their constituents about the bill will not now have a chance to share all they have heard in their constituencies with other members of Parliament and, more important, with the Minister of Justice and his cabinet colleagues. Shutting off debate on the bill at this point is quite a shameful act. First, the government restricted access to the bill and now it is restricting debate.

I have listened carefully to much of the debate since the legislation was introduced. As emotional as it has been at times, there has been much said that is worthy of note. I hope the minister has been listening with a mind which will accept change. Unfortunately I find that the minister, like many Canadians, simply accepts the idea of firearms control as an end in itself.

• (1610)

The legislation addresses firearms control. Therefore the minister seems to be saying, for that reason alone it is worthy of support. It does not matter if this is a good bill, a bad bill or an inadequate bill. It should be worthy of support simply because it deals with gun control. We are all supposed to stand up and support it because of the premise. Whether it addresses all the problems facing Canadians and their personal insecurities does not seem to be relevant in the debate.

I believe these matters are relevant and I want to look at some of them today. I have heard many stories told in this Chamber over the past weeks, personal stories and quoted newspaper accounts of stories affecting people in various communities throughout North America. Each of these stories is told to gain support for the legislation. The stories are about individual tragedies of friends, relatives or people whose names appear in the paper because of some firearms accident or wilful event.

If one listens closely and reads between the lines, these stories are telling us that if we want to prevent the personal tragedies outlined, we must get rid of firearms and not register them.

The people who raised those stories in Parliament and the minister know that getting rid of firearms is not an option in the legislation before us today. For all intents and purposes the illustrative stories that have been brought to the debate, as important as they are to the individuals affected, are diverting attention from the real debate in front of us. The tragedies that they represent—and tragedies they are—can occur just as easily with a registered firearm as an unregistered one.

There is not enough time for me today, in 10 minutes, to outline everything that the legislation does. I will support the amendment before us which splits the bill into two parts because a good argument can be made for debating the two issues separately. My complaint with the legislation is the registration and the way in which it is being presented to the Canadian public by the government.

The universal registration of firearms is being presented for something that it is not. Persons with legitimate and legal uses for their firearms are being asked to pay for this misadvertised purpose.

The government is telling Canadians that if all firearms are registered they can feel safer and have more security in their homes. They can feel safer and more secure on the streets. This is simply not true. Peddling false hope while doing absolutely nothing else to alleviate the fears of the Canadian public or to attack the root causes of crime and violence in our society is practically dishonest.

As members know, I believe in gun safety. Just because I do not support the legislation of the Minister of Justice, I have been criticized for not supporting firearm safety. Members will remember that this was one of the reasons why I supported the previous government's legislation on firearms. I supported that legislation against the wishes of many of my vocal constituents because it dealt with firearm safety. Today many of those who criticized me in the past have agreed that the safety course being offered is a good one, that the safe storage, handling and transportation regulations contained in that legislation were reasonable.

Bill C–68, the registration provisions in the legislation in front of us today do nothing to enhance or improve on the existing safety provisions already in place. The new legislation should not be promoted as if it does. Also, we must reduce the amount of violent death and injury. We as a nation must confront this issue from all sides, including its social and economic roots.

Bill C–68 and its registration provisions by themselves will do nothing to reduce violent injury, death or suicide for that matter. If as a nation we are serious about suicide, spousal violence or criminal street violence we have to do much more than talk about creating a registry.

We have to do all that we can to reduce suicides and homicides but as everyone in this Chamber knows, these suicides and homicides will occur with registered legal firearms as well unless other social and economic issues are dealt with.

• (1615)

Members of the Chamber will recall, because it was released a few weeks ago, that the royal commission on aboriginal peoples released a report on suicide among aboriginal people, particu-

larly among aboriginal youth. To date the federal government has done virtually nothing to respond to the recommendations in this important and crucial report. The report indicated this issue has been before the government for more than 10 years.

If the federal government were truly interested in dealing with the issue of youth suicide it would respond in the affirmative to the recommendation of the royal commission report immediately.

It is a bit surprising the government says firearms registration is critical to the reduction of suicide and violence and yet at the same time is proposing a delay in the full registration process until the year 2003. Surely if the government were serious about this false contention and about the issue, if registration were actually important to the reduction of suicide and violence, would it not make compulsory registration immediate?

Why wait eight years if this is so important? The answer is simple. There is no evidence to support the government's claims. Registration is not important to the reduction of suicide and violence, and the government knows it.

I also support the police dealing with real criminals in our society. I have no trouble accepting the argument that those who commit crimes against the rest of society must be sought out, convicted and punished. However, I must remind the House and the minister that every police officer from northwest Saskatchewan I have spoken to and all the police officers I deal with on a regular basis in my own constituency tell me registration is not the answer for them.

When they are called to a domestic dispute or a location where they are uncertain what they might find when they arrive, they already assume every home they visit has a firearm. They already take no chances when they visit a scene. The bill gives them no additional security in this regard.

The police tell me that anyone who will shoot them is as likely to use an illegal weapon as a registered firearm. The police in northwest Saskatchewan tell me they need more time in the field, better support services and more sustained opportunity to work on preventative community strategies. There is a need to work on programs that will help them prevent violence rather than programs that respond only once violence has been committed. The bill and government comments to that effect offer no hope that this is being contemplated by the government.

If I had more time today I would happily put more concerns on the record. Fortunately a few members in the House have already begun to do so. Rather, I stress I remain critical of this legislation. I am critical because the Liberals have set out an agenda that they say will deal with safety and security and they are asking the residents of my constituency who happen to own legal and useful firearms to pay for them through the registration system.

The government is doing this without offering any evidence that any part of its plan will work any better than existing rules which have not yet been fully evaluated. I find this wrong and to a certain extent shameful politics.

I have already demonstrated that I do support firearms control measures that have a real and meaningful impact on our nation and its citizens. As I said earlier, while there is a role for legitimate critique of Bill C–68 and the critique of the false hope the Liberals are setting up with its passage, I trust the nation, the House and especially the minister will not only allow room for that critique to be articulated but also will take it to heart.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is a pleasure to speak to the bill today. It is very significant that we are in the House talking about this subject at a time which I see as one of the last few periods when we can make this kind of significant change to our gun control laws.

We are looking at the type of society in which we want to live.

• (1620)

The Minister of Justice has brought forward legislation on young offenders and sentencing. He has made a commitment to make changes to the dangerous offender laws and we have before us today the bill on gun control.

I do not want to criticize because I am a very big supporter and fan of our neighbours to the south. However, we have seen a situation there in which citizens who want to change the law cannot. We have seen a situation in which the number of deaths by firearms has escalated to totally catastrophic levels.

In 1992 in the United States, 35,000 people died as a result of firearms; 150,000 people wounded by firearms in the same year. That is alarming. Those who were wounded might have been killed at that time if infrared spotting devices were available. They are now available in the United States, giving greater accuracy in dark areas, at night and to those who really do not have proficiency in the use of firearms to have good aim.

We have been told the United States is different. We have been told this because of the second amendment to the Constitution of the United States. We have been told there is a constitutional right to bear arms in the United States. That is not correct in the sense the National Rifle Association in the United States would have us believe.

The right to bear arms as defined by the Supreme Court of the United States applies to the militias and the constabularies of the states to be able to arm themselves to defend against a national army. That is the basis as interpreted by the Supreme

Court of the United States of the right to bear arms. It is not for citizens of the United States to have unlimited permission and lawfully be able to have arms.

I want to give one example of how that applies with the case of one small community in Illinois, Morton Grove, in the early 1980s, I think in 1982. It decided it wanted to do something about the proliferation of firearms. It decided to ban firearms. There was a municipal bylaw which banned firearms in that community.

The National Rifle Association became very alarmed at this and a great deal of lobbying ensued. As a result, the state of Illinois passed a law that stated municipal laws could not be more prohibitive with respect to firearms than state laws. That destroyed any opportunity for any further municipality in the state of Illinois to do what Morton Grove did.

There are other states with the same law. It was never challenged. The right of the community of Morton Grove to do that was not challenged on the basis of the second amendment. It was the lobbying by the National Rifle Association to make sure state governments moved in to prohibit that sort of thing happening anywhere else in that state and to its determination, any other state in the union.

The National Rifle Association is quite a prominent lobbying group in Washington. It employs approximately 50 people, has an annual budget of approximately $100 million and in the Congressional elections in 1992 spent $1.7 million on candidates favourable to its position.

There is no way the Americans will be able to strengthen their gun control laws significantly in light of that kind of lobbying and force opposed to them.

• (1625)

We just have to look at the Brady bill. Mr. Brady was shot at the same time as President Reagan, a very valued and admired public servant in the United States on the staff of the President of the United States. He was impaired for life. He and his wife worked tirelessly to bring forward a bill for stronger gun control. The bill he wanted was one stronger than the one eventually passed, but it was only through the force of personality and the type of people Brady and his wife were that they were able to get that bill at all.

Congress in the United States now wants to roll back some of the advantages and some of the things obtained in the Brady bill. I credit President Clinton when he says that under no circumstances would he allow that to happen and he would veto any such measures. That is not democracy. That is not allowing the people of the United States to choose.

We in Canada do not have that kind of force opposed to the free will and to the ability of Canadians to make their decision. It is getting more difficult. The structured opposition is becoming stronger. If Canadians want stronger gun control it has to be now.

We want Canadians to decide. We want to have the bill go to committee. We want to have an intense study of the bill in committee. We are prepared to listen to witnesses, to members of Parliament and to make some changes to the bill.

The Minister of Justice said he wants to have the areas of black powder shooting, certified competitions and antiques looked at and perhaps defined a little more clearly; perhaps changes made in these areas. He has also given an assurance to the Canadian Police Association with respect to penalties and the criminalization of non–registration. He wants that looked at. Those are very significant directions. I presume he will be giving further instructions to the committee when he appears.

He has also stated that when he appears before the committee he will give the breakdown and the background information on why he has stated the registration system will cost approximately $85 million. For those who are saying it will be $500 million, I am sure they will want to hear the minister's information. That is fair.

The previous speaker from the New Democratic Party said it has not worked before so why are we trying again. We are trying again because it has not worked before. We are trying to put in a registration system that can work. It is not because it is a registration system. The registration system will work because of advances in technology, a registration that will be—

Miss Grey: The criminals can break in.

Mr. MacLellan: No, they cannot break in. That is nonsense. That is pure fabrication, absolute rubbish.

The possession licences and the firearms registration certificates will be cards similar to credit cards with magnetic tape which will have the information and when it is run through a machine similar to a machine that checks a Visa card, the firearm will automatically be registered. It could be registered in a place of purchase similar to Canadian Tire. It will feed into the main computer system at which there will be fire doors to prohibit the information coming back out.

It will be a safe system. That is one of the reasons we want to wait until January 1998 to start registration. We want to have the people of Canada realize this is a safe system, a beneficial system and it will not cost what they have been told it will cost them.

An hon. member: Will it fight crime?

• (1630)

Mr. MacLellan: It is going to fight crime too.

Unfortunately, I only have ten minutes. If the hon. member comes to the committee and listens, he will hear that, if he has

not understood it already. This is going to be a cost factor where those who register, starting in January of 1996, will not pay anything for their possession certificate initially and the cost will increase in a moderate fashion throughout the five–year period. When the five–year renewal period comes around, there will be a cost of approximately $60 per person for the renewal.

The registration cost will not be $100 per firearm, as has been stated by many members in the House. It will be $10 per firearm, and for that $10 the person will be able to register 10 firearms. That is a significant difference from what we have been told by members opposite.

I also want to say that this bill will fight crime. If members opposite do not know that now, they should make a point of looking at the statistics to realize that.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I can just imagine all the criminals in Canada waiting to run down to the nearest registration office to say, "I own this gun. Put my name on that list, by golly, because I want to get on that computer." They just cannot wait for that.

Unfortunately, this is a tragic thought, but I can also imagine how much better future victims of firearms crimes are going to feel when an offence is committed against them with a registered firearm. I say that facetiously, but still very seriously.

The motion put forward by my hon. colleague from Yorkton—Melville will split Bill C–68 into two portions. I believe it is imperative to be able to discuss separately, in a substantial fashion, the so–called merits of universal registration, as the Liberals would like to have Canadians believe that there actually is some merit to it, and also to discuss the improvements to the Criminal Code that would deal with people who commit firearms offences. It is important that this bill be split. Canadian people must have a chance to have input on both sides of the bill. To create a bill that deals with these two issues in one simply leaves the Canadian people and this House with no opportunity to stop the bad side of the bill and, at the same time, vote for some of the good points.

I believe there are members in the Liberal Party who would, if given the opportunity, instantly vote against universal registration and at the same time instantly support stricter penalties and tougher laws for people who commit firearms offences. We enthusiastically implore the Liberal Party to support the splitting of Bill C–68.

I believe members should be concerned when changes to the Criminal Code are tied to other measures that seek to impose on the right of law–abiding Canadians to own and enjoy property. This imposition is exactly what Bill C–68, when taken in its entirety, seeks to accomplish: to impose red tape, more regulation and more penalties on law–abiding firearms owners in this country. At the same time, the bill does little to impose stricter penalties, harsher penalties, rightful penalties on the people who commit firearms offences. We should be looking at deterring firearms crime while not imposing on the rights of law–abiding firearms owners.

• (1635)

The motion of the member for Yorkton—Melville to split the bill is in accordance with a policy that the Canadian people want. If this bill was split, this party can support enthusiastically the part that deals with imposing stricter penalties on firearms offences, while at the same time enthusiastically opposing it, along with a lot of Liberal backbenchers who would love to do it. Unfortunately, because of party discipline in the Liberal party, they are not going to be able to oppose the registration.

The Minister of Justice, the Liberal members, with all their rhetoric and all their talk about this new bill, Bill C–68, have offered not one shred of substantive proof that universal registration will prevent firearms crime in Canada. Not one single shred have any of these Liberal members offered of proof that firearms registration is going to cut crime in this country.

The onus is on the Minister of Justice and this government to demonstrate clearly to law–abiding citizens affected by these new registration laws that they will indeed produce a desirable effect. That is what good legislation should be all about. This bill cannot demonstrate that in any way; therefore, it cannot be considered good legislation.

The onus was placed on the Minister of Justice to clearly demonstrate how registration is going to cut crime. He has not done it. The minister continues to state that registration will improve public safety. Again, he has not presented one single shred of evidence that it is going to do exactly that.

He says the association of police chiefs support him. I may get a few of these chiefs mad at me, but I would like to remind this House that the association of police chiefs has received about $150,000 in grants for their organization from this government. One can conjure up all sorts of thoughts of why there is this great support for Bill C–68 and the Minister of Justice.

However, the facts simply do not support his claim. In New Zealand the practice of registration was discontinued. They tried it. In 1983 their police force discovered—I have to assume that the New Zealand police are a fairly intelligent lot—that a gun registry did nothing to combat crime. In Canada police officers in Saskatchewan—I have to believe that police officers in Saskatchewan are as intelligent as police officers in any other part of Canada—

Mr. Taylor: Maybe more so.

Mr. Harris: Maybe more so, yes.

The police officers in Saskatchewan have demonstrated that they have absolutely no faith in Bill C–68 and its ability to affect crime rates.

As time goes on we will see the police forces in some of the other provinces come forward with the same conclusion.

We have had a handgun registry in this country for about 60 years. It was revamped in 1977 by Bill C–51, which was introduced again by a Liberal government to, as they say—and this is wonderful—enhance public safety. This sort of sounds familiar. We have heard this same phrase from this government and the Minister of Justice himself over the last several weeks. It is to "enhance public safety". Since 1977, studies by Sproule and Kennett, Robert Mundt, and Mauser and Holmes all showed that the changes enacted in 1977 had no effect on firearms homicide rates in Canada.

That is what we call substantive evidence, not the rhetoric and the words that the Liberals use with nothing to back them up—statistics.

• (1640)

It is very clear that while Bill C–68 does contain some measures to deal more harshly with criminals and people who commit firearms offences, which we can support, we would have liked to have seen the government and the minister introduce a whole lot stiffer penalties than what they have done. While it contains some legislation that is good and that we can support, I challenge the part that deals with firearms registration.

I have been on talk show after talk show with anti–gun advocates. When I gave them the specific opportunity to bring forward substantive evidence that gun registration would cut crime, not one single time were they able to give a substantive piece of evidence. The most common answer was: "Well, we register cars; what is wrong with registering guns?" That is the standard answer from these people and this government here.

Let us go with that. Mr. Speaker, you tell me and any member over here whether the registration of automobiles cuts down on stolen cars, on traffic accidents or on the carnage that is on our highway. How does car registration cut down on people who steal cars and commit crimes with cars? Not one single bit.

I ask this government and any member over there to show me clearly, please, how they substantiate their claim that universal registration is going to in fact cut crime. I give that challenge to them and so do millions of firearms owners in this country who can see no justification for universal firearms registration.

[*Translation*]

The Deputy Speaker: Dear colleagues, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Brant—justice; the hon. member for The Battlefords—Meadow Lake—the environment.

[*English*]

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I am pleased to take part in the second reading debate on Bill C–68 today.

I have a distinct advantage over many of the members of this House because I am a member of the justice committee. As a member of the justice committee, when this bill is referred to the justice committee I will have many days and hours, many opportunities, to ask witnesses very pointed questions. I will have an opportunity not only to examine witnesses but to cross–examine witnesses and inquire about certain facts that my friends in the Reform Party, for example, have suggested are not facts and to ask certain questions that they want to ask.

My intervention today will not be to answer or attempt to answer the questions that my friends in the Reform Party have brought up, generally speaking. My purpose in standing today and speaking is to examine and to try to help Canadians understand precisely what it is that is going to happen today. What I object to, quite frankly, is the misinformation that my friends in the Reform Party are attempting to spread across Canada with respect to what would happen if we were to support their motion today.

What I want to talk about is the actual legalities of what would occur if one were to support the Reform Party motion, and then let us let Canadians decide what the Reform Party has been saying and let us let them decide whether it is in fact what would occur.

We are being asked to consider the government's motion. It is a very simple motion. We may not agree with the bill or the principles, but the motion is very simple. It states "that the bill be now read a second time and referred to the Standing Committee on Justice and Legal Affairs". The government is simply saying, all right, let us refer this to the Standing Committee on Justice and Legal Affairs so that they can hear witnesses and hear all of these people who wish to either support or object to the bill.

My friends in the Reform Party have put forward a very specific amendment. They are trying to tell people that their amendment splits the bill. That is not the case. The motion is very specific. All words after the word "that" are to be removed. Remember that the original motion says that the bill be read a second time and referred to committee. Reform members want that passage to be removed. What do they want to substitute it with? Do they want to substitute a motion that says that the bill be split into two separate sections? No. This is what they want to do:

That this House declines to give second reading to Bill C–68, an act respecting firearms and other weapons, because the principle of establishing a system for licensing and registration of all firearms and the principle of creating a variety of offences are two unrelated issues that should be addressed separately.

• (1645)

Maybe they should be addressed separately, but if this motion were passed it would not allow the House to address those two questions separately. If we passed this motion, we would not be dealing with Bill C–68, period. The House would not read Bill C–68 a second time. The House would not refer Bill C–68 to the Standing Committee on Justice and Legal Affairs. Consequently, there would be no Bill C–68 and therefore, there would be nothing to split and nothing to discuss.

In my respectful view, it is improper for members of the Reform Party to suggest that their motion would split this bill. Nothing could be further from the truth. Their motion would have the effect of killing this bill, not splitting it. So let us talk facts.

Members of the Reform Party have made a point of saying that they are talking straight to the people. Then be straight with the people. If they are going to bring a motion that says to kill Bill C–68, then tell people that is the kind of motion they are bringing forward, not that it is a motion to split the bill. That is utter parliamentary nonsense.

Anyone who votes in favour of the amendment thinking that the bill will be split is sadly misinformed. The actual effect of voting for the amendment will be to kill Bill C–68.

If we were to kill Bill C–68 the justice committee would have absolutely no opportunity whatsoever to consider the merits of the bill. It would have no opportunity whatsoever to consider any amendments that could be put forward. It would have no opportunity whatsoever to try to excise some portions of the bill.

Let us be honest with Canadians. If members do not like the bill, then say so. If you do not like the bill, tell Canadians that the amendment would throw the bill out. Do not tell Canadians the bill would be split because that is not the fact.

Miss Grey: Is that the end?

Mr. Wappel: No, that is not the end.

Let us talk about what will happen if common sense prevails and we send this bill to committee. The bill is not perfect. Nothing that is written in this House is perfect. There are problems with the bill. The Minister of Justice acknowledged in a press release that he would like the committee to consider at least three amendments.

One deals with relics and whether they can be passed on from generation to generation. The second one is how we deal with prohibited classes of weapons that are used for competition. That is a legitimate thing. We can deal with prohibited weapons that might be used for competition. We can put an amendment to the bill that would permit such a use. There is nothing wrong or impossible about that. The minister has also asked us to look at black powder historical re–enactments.

There are a couple of problems I would like to look at before I have an opportunity to put forward my amendments. I acknowledge that I have an opportunity which is not available to most members. I am a member of the justice committee and I can put forward all kinds of amendments at committee. Then I can put forward more amendments in the House at report stage. I really have two cracks at it, unlike most members, and I acknowledge that.

One problem I have with the bill as it currently stands is the possibility of confiscation without compensation. This is anathema, unliberal. We have to deal with it. We have to look at what the bill actually says and make some hard decisions. In my view, there should be compensation for property that is legally acquired and is subsequently confiscated for the greater public good, if that is what this House decides. We do it with real estate. There is no reason that we cannot do it in this situation.

I would like to hear some evidence on that. I would like to hear the pros and cons. I would like to hear all those people who wish to come to the justice committee to tell us what is wrong or right with it.

• (1650)

I have some problem with the mandatory sentencing. Let us pick a section arbitrarily. Let us pick proposed section 244, which is found in clause 138 of the bill which reads in part:

244. Every person who, with intent

(a) to wound, maim or disfigure any person,

(b) to endanger the life of any person, or

(c) to prevent the arrest or detention of any person,

discharges a firearm at any person—is liable to imprisonment for a term not exceeding fourteen years and to a minimum punishment of imprisonment for a term of four years.

What does that mean from a legal point of view? Does that mean if they wound somebody, they will get a sentence for the wounding, then an additional four year consecutive sentence? Or does it mean that if they wound someone and they are found to have wounded someone under that section they will get a sentence of a minimum of four years? There is a huge difference. We have to hear from the justice department officials and other people in the legal field as to exactly what that means.

The perception may be among some in the community that a mandatory four year sentence means four years on top of any sentence for the crime. Others might think it is four years in total. That is called the totality principle. These are legitimate concerns and questions.

There is another legitimate concern. That is the one expressed by members of the Reform Party as to the actual purposes registration would serve. Would registration serve the purpose

of reducing firearm related crimes? How can we know unless we hear from the experts?

We can sit in committee and listen to people on both sides, the Ontario Handgun Association, the National Rifle Association or the firearms people. We can listen to the Canadian chiefs of police. Our friends from the Reform Party can ask them about the grants that have been going on for one or two decades. Never mind their innuendoes about the chiefs of police. They are not appointed by the federal government but by their own municipalities. These innuendoes are insulting to the chiefs of police.

In any event, these questions can be put directly. We can ask if there is any correlation between registration and the curtailment of handgun or firearm related crimes. If not, then it may be necessary to consider other reasons that we might want the registration circumstances.

It is inconceivable to me that a reasonable person would not want this matter studied in depth at the justice committee. All groups and people across Canada who want to provide input on this legislation would have the opportunity to do so. For the Reform Party to say anything but the fact that its motion would kill this bill is utter nonsense.

In conclusion, I want to say something to the people of my own riding of Scarborough West. I have discussed this issue with them on numerous occasions. I have put out a householder which contains a survey. It will be in their mailboxes within two weeks. I ask for their direct input and answers to the questions I have asked on gun control.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I look forward to this debate as well. I am glad to be back in the House. I am particularly pleased to be able to address a subject I have heard about only in the last 24 hours. This is pretty handy.

It has to do with a debate that went on years ago. It seems like 40 years, but it was really only four, in 1991. My colleague from Burnaby—Kingsway had said something about the member for Beaver River supporting universal firearm registration. I thought: "This certainly is news to me. I have never spoken in favour of that. Boy, I had better check this out".

I had to chuckle when I saw it in a copy of *Hansard*, November 6, 1991. My friend from Kingston and the Islands brought it to my attention this afternoon—

The Deputy Speaker: I wonder if the hon. parliamentary secretary would refrain from heckling while the member is giving her remarks.

Miss Grey: Mr. Speaker, I appreciate that from the Speaker and from the member for Kingston and the Islands.

It said that I was in favour of gun registration. Let me get one thing straight. I would like to quote from *Hansard*, November 6, 1991, page 4687. I had already given my entire speech and was on questions and comments. Remember that I was sitting way back there all by myself and put up with any amount of heckling from members.

• (1655)

The parliamentary secretary, a dino–Tory, said to me, could I please make some comments on this, that and the next thing. I said to him at page 4687:

> I would draw the member's attention to the Canadian Police Association and some of the recommendations they brought forward. They said that "over 90 per cent of our respondents believe that guns of all kinds should be registered".

The Canadian Police Association said that 90 per cent of its respondents believed that all guns should be registered. I then said right after that that I agreed with that and I think every Canadian would agree with that. If those are its numbers, that is the survey it did among its members, how can I disagree with that? I am not going to dispute those numbers. If I were in favour of universal gun registration, and here comes the English teacher, I would have said I agree with them. I would agree with them if I were in favour of gun registration. It makes sense.

Looking at this yesterday I thought that if this was such a loud situation that I was in favour of gun registration, why in heaven's name did I not hear about it on November 7, 1991 from such groups in my constituency as the wonderful people who belong to Lac La Biche Shooting Association, responsible firearms owners, and Grand Centre's Cold Lake District Sportsman Fish and Game Association? Do you think that if I had supported gun registration these people would have even let me off the aeroplane to come back home? This is bunk.

If the member for Burnaby—Kingsway is so concerned about the fact that I support universal gun registration, he should have found it in my speech and in my thesis. He did not find it there; he did not find it now. He is in big trouble with his own small, minute caucus here.

If we are going to talk about flip–flops, Mr. Speaker, let us talk about when you and I listened in the last Parliament to Ian Waddell, Margaret Mitchell, and I could list all 43 of them. I am sure I can remember who they were. Audrey as well. They were going on and on talking about how terrible this was. All of a sudden in 1995 it is just amazing how things change. The NDP caucus is not going to be supporting this legislation. I have to admire them for that. The member for Burnaby—Kingsway is not going to be able to. If he can justify that back home that is fine. Things were different in 1991 of course. I did not agree with universal gun registration then, nor do I now.

Let us look at the Canadian Police Association's latest viewpoint on gun registration: "The Canadian Police Association recognizes the clear value of information availability to police officers, which registration of all firearms provides, and supports a full firearms registration system, but cannot support the registration system articulated in Bill C–68 unless there is a guarantee from the federal government that any implementation or administration costs for such a system will not come from existing operational police budgets". I agree with that too.

I do not agree with gun registration, but I have to agree with what the Canadian Police Association says. Whether the police will be able to enforce it on the frontlines or whether that money will actually have to come from some of the operating budgets, if there are fewer policemen in our cities, in our small towns and on our country highways when people are hauling around firearms committing crimes with them, that is where the money should go.

The proposed national firearms registration system will contain data for six million to 20 million guns, which is a lot of guns, and three million to seven million gun owners. We just heard our friend from the maritimes, the parliamentary secretary for justice, saying that we are going to get something like a Visa card and we will just run it through the magnetic strip.

Has anyone here ever had their Visa card stolen? Is it going to be guaranteed that that is safe, that they are not going to be able to break on to the Internet and have absolute access and a shop at home catalogue? Can we have any guarantee that someone is not going to be able to get into the Internet? He promised us it would be safer than safe.

When we talk safe, I want to talk about the fact that someone who is a victim of a crime with a firearm does not give two hoots about whether that gun was registered or not and whether somebody in a criminal gang in downtown cities anywhere across this country is going to be able to break into that system. We hear about it all the time. Why should the gun registration be any safer than anything else?

It is frightening to me that they would be able to know who has guns, where they are, how many they have and have absolute access to them. Those people are not going to register their firearms. We have to be absolutely dreaming if we think such a thing is going to happen.

• (1700)

Do you think that someone coming across the border is going to give up a gun? Who is going to seize these guns?

An hon. member: The police.

Miss Grey: The police are going to seize the guns. This thing is going full circle because the Canadian Police Association just said in its most recent document: "Who is going to do the seizing? Who is going to do the policing?" How much time are the police going to have for that? How much time does any policeman in any constituency have for more bookwork and paperwork? They should be out in their cruisers stopping crime.

A universal registration system will be a very large undertaking with huge costs. People joked earlier when my leader was speaking about us not having any idea of what the costs are. We would like to know,or at least have an idea of what the costs are. The Minister of Justice may talk about costs but we have absolutely no proof of that.

The finance minister in his budget, somewhat recently, gave us an idea of what to expect for deficits. We are going to be spending $9 billion on interest payments for every dollar that is cut. It goes on and on. One hundred billion dollars will be added to the deficit. Give us an idea of the costs, it is a lot of money.

Canadian taxpayers are going to be paying for this. We hear the government saying that it will be user pay, not just taxpayers' money. What is user pay? It is nothing more than me taking $10 out of my pocket to pay for registering my .22. It is nothing more than giving my money to the government or to someone to register my gun. It is user pay. Is it still costing me money? Yes, of course it is. I would sooner pay that $10 to a health care system that is going to be more efficient than knowing that someone is just paying to have his gun registered.

The recreational firearms communities of two provincial governments have huge doubts about the legislation and the minister knows it. I participated in the rally in September and I was proud of all the responsible firearms owners. Nobody acted crazy or irresponsible that day.

I must say I admire the minister for going out and facing them. The people in my constituency said they thought that was pretty brave. There was no one to be ashamed of there. It is not the responsible firearms owners who we should be attacking in this legislation. It is the criminal misuse of firearms and a registration system will do nothing to eliminate or even alleviate crime.

This new scheme will represent a massive attack by the state and its police on property rights and the privacy of millions of law–abiding citizens. I frankly do not think I need to say anything more about this. I never did support universal gun registration regardless of what my friend from Burnaby says. I do not agree with the police association's estimate. I agree with the fact that they say those are their numbers, but I do not agree with them. There would not be people in my constituency, and many policemen as well, who could support that.

Crime is what we should be attacking here, not registration. Registration is not the answer. Therefore, let us split this bill in two and make sure that we deal with crime. As the bill is now responsible firearms owners are going to be labelled and become criminals.

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, it is a pleasure to rise to speak on the motion. I have been spending the last few days listening to the debate on it.

I must say that some good ideas came from across the floor. Some good ideas also came from this side of the House of changes we could make to really reflect the concerns of some of my constituents.

Over the past few months I have been talking to a number of my constituents who have been hearing a lot of misinformation concerning this bill. It has been very difficult to really debate the bill in an open and meaningful way. I end up spending half of my time trying to explain to constituents parts of the bill that they believe are there but actually are not. I find that a very difficult way to deal with the legislation.

I have a number of concerns with the legislation but before I get into that I want to talk about those areas which I think everyone in the House supports. When Bill C–17 came into the House under the former Conservative government I could not support and voted against the sections on the increased criminal sanctions for the illegal use of firearms. One of the reasons I voted against the bill was that I did not believe it dealt with the criminal use of guns. My constituents did not feel these issues were properly dealt with.

• (1705)

I brought those points forward and I want to thank the minister for at least listening to Canadians who felt there was not enough being done to sanction people who use guns in the commission of crimes. I appreciate that he and the Prime Minister are taking our ideas and moving forward with them.

As members know, the average sanction across the board is about 16 months. The minister has increased it to four years. I would rather have seen it go higher but I see that as a positive step and a good way forward.

I also agree with what the minister is doing with the whole question of smuggling. I have talked with the Minister of National Revenue and he has indicated to me that he, along with the Solicitor General and the Minister of Justice, have a task force together. They are going to focus on smuggling.

This will not work unless smugglers are stopped at the border. There is one major place at the border where the majority of these guns are coming across. I call on the Minister of Justice and the Solicitor General to deal with that situation and to get the guns off the street. I also agree with the seizure of the assets of those people who smuggle. If assets are seized and smuggling is stopped it will go a long way in dealing with some of the problems.

I have not heard anybody on the other side thank the minister for dealing with the whole situation of young offenders with regard to handguns. I see that as a positive step forward and something we could support.

I want to get into those areas that I feel are not very well represented. Specifically, there is the whole area of registration. It is probably the area that concerns most of my constituents. When I was putting forward proposals on that, I always said that registration would have to be proven to me to be effective, efficient and affordable. When I look at some of the proposals put forward by the minister, I am concerned whether they actually meet that criteria.

I hope the members of the committee on justice will tear the bill apart, get the minister before them and get the proof whether these sorts of criteria are met. I see that as an important role of the committee and I hope it will take that challenge on.

I also wanted to split the bill. A lot of members wanted to split the bill but I have to say to my colleagues across the way that their motion does not split the bill.

Miss Grey: Make a motion.

Mr. Speller: I will make a motion. I wonder if I can have unanimous consent to move this motion. I move:

> That section 80 on page 36 through to section 112 on page 51 could be removed from this bill and brought back as another bill under the name of the Canadian firearms registration system.

The Deputy Speaker: Does the member have unanimous consent to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: There is not unanimous consent. The member has the floor on debate.

Mr. Stinson: A Liberal said no.

Mr. Speller: Mr. Speaker, a number of members on all sides of the House would support a motion like that. I hope that maybe we can work as this bill goes through its other stages to convince the minister to do something like that.

Miss Grey: Absolutely.

Mr. Speller: Mr. Speaker, I notice that you gave our hon. colleague a going over for heckling before.

The Deputy Speaker: The member has a good point. As the member for Beaver River will agree, I asked the member not to heckle her. I wonder if members on the Reform side would not heckle the member.

• (1710)

Mr. Speller: Mr. Speaker, I return to the Criminal Code provisions and registration. A number of members have raised concerns about people who do not properly register their guns and therefore get a criminal record. I hope the committee will look at the issue. I know the minister has indicated to the Canadian Police Association that he would be willing to look at it. I know that members of the Liberal caucus will be working with the minister over the next little while to make sure that is a fact.

I would like to see a sunset clause on registration. We have found that there are difficulties with the handgun registration system. Frankly, I am not sure how this one is going to work. For instance if it is not working in 10 years, let's hoist it and get rid of it. If the minister can prove it is working, then leave it alone. However, something like a sunset clause may not be a bad idea.

Handguns are prohibited, however certain handguns are used now in gun clubs. I know the minister has indicated his willingness to work with national associations concerning handguns they say they should be able to use. I also hope that the minister and perhaps the committee will listen to other clubs whose members use handguns, but which may not always follow national association criteria.

I also have a real concern with how this bill deals with regulations and how it will look at an area that is not normally considered, that of long arms. An example is the Ruger Mini–14. I know it is not considered in this bill. However, there will be a provision created under which the minister can deal with the Ruger Mini–14 and prohibit it from being used.

In my area a number of farmers use it to shoot coyotes. It is the gun of preference to get rid of the coyotes. A number of people will be concerned with that area. Should these guns still be used to hunt or at gun clubs? I hope the minister will allow us time to deal with that issue.

I have listened to members of the Reform Party over the last while talking about the bill and how their constituents are against it. As members of Parliament we must deal with that. It is the Reform Party that says it has to represent the wishes of its constituents. I agree with that. That is why I talk with my constituents and try to get to as many areas as I can.

All members have to look at the results of national polls. I refer to a poll that was done by the minister of justice of Alberta. I want to quote from that poll. Obviously, everyone knows that the polls taken showed that Albertans were against this. It did not show that in the rural areas, which is of a concern to me because a lot of areas of Alberta are somewhat like southwestern Ontario. We have a lot in common.

If we look at the question: "Do you strongly agree or strongly disagree with registration of rifles?" The numbers were 50 per cent said they agreed and 48 per cent somewhat agreed or disagreed.

However, in some rural centres the numbers were: strongly agree, 58 per cent; strongly disagree, 43 per cent. It clearly shows that even in rural Alberta they support the minister in the registration of long arms.

As members of Parliament we not only have to consider our constituents but we also must take into account the importance of the bill.

The Deputy Speaker: It being 5.15 p.m., pursuant to the order made earlier today, in accordance with the provisions of Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of second reading stage of the bill now before the House.

[*Translation*]

The first vote is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen.

The Deputy Speaker: Call in the members.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 189*)

YEAS

Members

Abbott	Ablonczy
Benoit	Blaikie
Breitkreuz (Yellowhead)	Bridgman
Brown (Calgary Southeast)	Chatters
Crawford	Cummins
Duncan	Epp
Forseth	Frazer
Gilmour	Grey (Beaver River)
Grubel	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Harris	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Jennings
Johnston	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	Meredith
Mills (Red Deer)	Morrison
Murphy	Penson
Ramsay	Riis
Ringma	Schmidt
Serré	Solberg
Solomon	Speaker
Steckle	Stinson
Strahl	Taylor
Thompson	Wayne
White (Fraser Valley West)	White (North Vancouver)
Williams—55	

NAYS

Members

Alcock
Anawak
Arseneault
Assadourian
Augustine
Bachand
Barnes
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Blondin–Andrew
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Canuel
Catterall
Chamberlain
Cohen
Dalphond–Guiral
Debien
DeVillers
Discepola
Dumas
Eggleton
Fewchuk
Finestone
Flis
Fry
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway
Godfrey
Goodale
Gray (Windsor West)
Guimond
Hickey
Ianno
Jackson
Jordan
Keyes
Kirkby
Kraft Sloan
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Shefford)
MacAulay
MacLaren
Maheu
Maloney
Marchand
Marleau
Massé
McLellan (Edmonton Northwest)
Mercier
Milliken
Murray
Nunez
O'Brien
Paradis
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Proud
Richardson
Ringuette–Maltais
Robillard
Rock
Sheridan
Skoke
St. Denis
Stewart (Northumberland)
Telegdi
Thalheimer

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Gaspé)
Bertrand
Bhaduria
Bodnar
Bouchard
Brien
Brushett
Bélair
Bélisle
Cannis
Caron
Cauchon
Clancy
Crête
Daviault
de Savoye
Dhaliwal
Duhamel
Easter
English
Fillion
Finlay
Fontana
Gagliano
Gagnon (Québec)
Gauthier (Roberval)
Godin
Graham
Guay
Harvard
Hubbard
Irwin
Jacob
Karygiannis
Kilger (Stormont—Dundas)
Knutson
Lalonde
Laurin
Lavigne (Verdun—Saint–Paul)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marchi
Martin (LaSalle—Émard)
McKinnon
McTeague
Mifflin
Minna
Ménard
Nunziata
Pagtakhan
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Pomerleau
Regan
Rideout
Robichaud
Robinson
Scott (Fredericton—York—Sunbury)
Simmons
St–Laurent
Stewart (Brant)
Szabo
Terrana
Tobin

Torsney
Tremblay (Rosemont)
Valeri
Venne
Volpe
Whelan
Zed—173

Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Verran
Wappel
Young

PAIRED MEMBERS

Chrétien (Saint–Maurice)
Deshaies
Duceppe
Grose
Plamondon

Copps
Dubé
Gaffney
Harper (Churchill)
Sauvageau

● (1745)

[*English*]

The Speaker: I declare the amendment lost. The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 190*)

YEAS

Members

Alcock
Anawak
Arseneault
Assadourian
Augustine
Bachand
Barnes
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Blondin–Andrew
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Canuel
Catterall
Chamberlain
Cohen
Dalphond–Guiral
Debien
DeVillers
Discepola
Dumas
Eggleton
Fewchuk
Finestone
Flis

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Gaspé)
Bertrand
Bhaduria
Bodnar
Bouchard
Brien
Brushett
Bélair
Bélisle
Cannis
Caron
Cauchon
Clancy
Crête
Daviault
de Savoye
Dhaliwal
Duhamel
Easter
English
Fillion
Finlay
Fontana

Fry
Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)
Gallaway
Gauthier (Roberval)
Godfrey
Godin
Goodale
Graham
Gray (Windsor West)
Guay
Guimond
Harper (Calgary West)
Harvard
Hickey
Ianno
Irwin
Jackson
Jacob
Jordan
Karygiannis
Keyes
Kilger (Stormont—Dundas)
Kirkby
Knutson
Kraft Sloan
Lalonde
Lastewka
Laurin
Lavigne (Beauharnois—Salaberry)
Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Leblanc (Longueuil)
Lee
Leroux (Richmond—Wolfe)
Leroux (Shefford)
Loubier
MacAulay
MacDonald
MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)
Maheu
Malhi
Maloney
Manley
Marchand
Marchi
Marleau
Martin (LaSalle—Émard)
Massé
McKinnon
McLellan (Edmonton Northwest)
McTeague
Mercier
Mifflin
Milliken
Minna
Murphy
Murray
Ménard
Nunez
Nunziata
O'Brien
Pagtakhan
Paradis
Paré
Patry
Payne
Peric
Peters
Peterson
Phinney
Picard (Drummond)
Pickard (Essex—Kent)
Pillitteri
Pomerleau
Proud
Regan
Richardson
Rideout
Ringuette-Maltais
Robichaud
Robillard
Robinson
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Simmons
Skoke
St-Laurent
St. Denis
Stewart (Brant)
Stewart (Northumberland)
Szabo
Telegdi
Terrana
Thalheimer
Tobin
Torsney
Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)
Valeri
Vanclief
Venne
Verran
Volpe
Wappel
Whelan
Young
Zed—173

NAYS

Members

Abbott
Ablonczy
Benoit
Blaikie
Breitkreuz (Yellowhead)
Bridgman
Brown (Calgary Southeast)
Chatters
Crawford
Cummins
Duncan
Epp
Forseth
Frazer
Gilmour
Grey (Beaver River)
Grubel
Hanrahan
Harper (Simcoe Centre)
Harris
Hart
Hayes
Hermanson
Hill (Macleod)
Hill (Prince George—Peace River)
Hoeppner
Jennings
Johnston
Manning
Martin (Esquimalt—Juan de Fuca)
Mayfield
McClelland (Edmonton Southwest)
Meredith
Mills (Red Deer)
Morrison
Penson
Ramsay
Riis
Ringma
Schmidt
Serré
Solberg
Solomon
Speaker
Steckle
Stinson
Strahl
Taylor
Thompson
Wayne
White (Fraser Valley West)
White (North Vancouver)
Williams—53

PAIRED MEMBERS

Chrétien (Saint-Maurice)
Copps
Deshaies
Dubé
Duceppe
Gaffney
Grose
Harper (Churchill)
Plamondon
Sauvageau

• (1755)

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the standing committee on justice and legal affairs.

My colleagues, your Speaker finds himself in somewhat of a quandary. I have been approached by hon. members of Parliament who wish to be recorded as abstaining from the votes.

I have two choices. I can have them stand, put it on the record and declare them out of order or I can simply ask those who want to abstain from the vote to rise and I can declare them all out of order at the same time.

I surely do not want to make light of this. Because we do not have a mechanism for abstention I would ask the committee on voting procedures to take this into account at some future time in its deliberations.

Mr. Iftody: Mr. Speaker, I would like the record to show that I stood in my seat and that I would support neither the motion to kill the bill nor the bill in its present form. I would like a clarification of that from the Chair.

Mrs. Ur: Mr. Speaker, I would like to have it recorded that I was present during the vote but abstained.

[*Translation*]

Mr. Gauthier: Mr. Speaker, in this House, traditions have a significance that cannot be overlooked. I think we have an obligation to conform to what is customary in this respect.

It is assumed that if a member is present, he will make his opinion known as his constituents have asked him to do, whether he is for or against a bill. To abstain is not an option, as we see it, and we therefore object.

Some hon. members: Hear, hear.

The Speaker: I want to thank the hon. member for Roberval for his opinion. He is right. The reason I rose was to explain my dilemma. It was simply for your information. I thank all members for their attention.

[*English*]

It being six o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

MULTICULTURALISM

Mrs. Jan Brown (Calgary Southeast, Ref.) moved:

That, in the opinion of this House, the government should transfer the responsibility for cultural preservation to individuals by discontinuing federal multiculturalism programs, relinquishing control of multiculturalism thereby allowing multiculturalism to flourish by giving individuals the freedom to pursue their own cultural ideals.

She said: Mr. Speaker, I am pleased to move this motion this today. Canadians from all across this country have become involved in a debate that explores the merits of the federal government's policy on multiculturalism. The issue has its defenders and its detractors. But most significantly, people no longer are blindly accepting the status quo that multiculturalism funding should be beyond reproach or even be beyond questioning.

The position of the Reform Party is given expression in my motion as just read. By relinquishing control at the federal level for funding multicultural projects, we will also be giving to individuals the chance to choose for themselves what cultural endeavours they wish to support.

As a government we have diminishing resources and as individual taxpayers we too have less and less disposable income. It is in light of this that we as legislators should be making efforts to maximize the freedom of individuals to distribute their disposable income where they choose.

In contemporary Canada does it not seem a little arrogant when the government decides which programs, which groups and which individuals should be funded? Are these decisions not better left in the hands of Canadians and not government? Why is it that this Liberal government avoids all the difficult decisions that concern Canadians the most?

I have sponsored two motions, both of which have been deemed to be non–votable. Last June I sponsored a motion for debate that related to the CBC. I recommended that the CBC be partially privatized. In that debate I suggested that we make some substantial changes to the CBC and that would include funding reductions.

I received a very poor reception from the other side of the House. In fact there was laughter and derision as I recall. However, here we are in budget 1995 and surprise, surprise, some of my recommendations have been acknowledged, particularly the recommendations for reduced funding and potential restructuring.

Another Reform proposition which the Liberals have recently borrowed was the recommendation to amalgamate all of the women's organizations into Status of Women Canada. I have suggested that further to that we dismantle the organization altogether.

Further to the debate on this motion, let me share with the House some sentiments from an average Canadian. I recently spoke to a group in Kingston, Ontario about my vision for Canada. A woman who heard me that day sent me some of her thoughts which echo mine. I would like to share them with the House today. She wrote on something she called "Acceptable Behaviour in a Global Village". She wrote:

The world of human beings has grown smaller and populations all over the world have become so mixed that we have to learn to get along peacefully with each other. The global village is no longer somewhere else. It is here and all of us are mixed in with it. It does not matter whether someone of a different race or nation lives next door or down the street or in a different part of town or halfway around the world, we have to learn to live peacefully with all of those peoples whose racial or national origins are different from our own. To do otherwise is to bring about an end to our world. The intolerance, conflicts, fighting and wars between peoples will bring an end to our civilization and the earth as a planet much quicker than any pollution or natural disaster.

All peoples have some members who are great people, who have accomplished things which are beneficial for all humankind. All peoples have some members who are difficult people who make life miserable for those around them. No one is perfect. Most people of all races are a mixture of good and bad. It is necessary to recognize the best and the positive in others regardless of what they look like, what language they speak or where they come from. The positive values of honesty, integrity, the ability to do the job required of them, the ability to care for family and other people and the ability to live peacefully together with others; all provide the basis for a good and worthwhile society.

Every race and nation of people has those individuals whose performance is excellent in all of those values. Every race and nation has many who fail to uphold those positive values. We need to change our attitudes to become more objective and non–judgmental. We need to become more accepting of all people.

● (1805)

The woman concludes her letter with the thought that:

This is not an easy thing to do but if enough of us who feel this necessity start to put these attitudes into our own lives and encourage others to also do so, we will have a better world.

These are the sentiments of an ordinary Canadian. The writer has no Ph.D. in peace issues. She has no certificates proclaiming her to be an expert on eliminating racial discrimination. But she clearly is an expert on old–fashioned Canadian common sense. If we could only bottle these common sense attitudes and ship them throughout Canada and around the world what a better place this would be.

I was mentioning earlier that the issue of multiculturalism is of high profile in the media of late. I was reading a recent edition of *India Abroad* in which Professor Milton Israel wrote about the issue of identity as it pertains to multiculturalism. He wrote:

> For some the emphasis on ethnicity facilitates division; for others, it provides a means to cope and a possibility of unity on better terms. Still others insist that national boundaries and the limited and distinctive identities they produce are eroding and the future lies with the "transnationals", people who are at home in more than one society. The loss of old home through migration or the substantial immigration of others is not to be lamented but a new kind of cosmopolitan nationalism is to be embraced.

I share this view. We do not need a special dispensation from the government to foster this belief. Members of ethnic communities also espouse these views. I experienced this when I spoke to the Human Rights and Race Relations Centre in Toronto, a privately funded organization that works to end discrimination in Canada. I went there on March 21 which was a day that acknowledged a race–free society. In fact it was called "the day to eliminate racism in the world".

I was so impressed that day with the individuals I met. They were all volunteers, leaders from the ethnic communities in Toronto. They had strived free of federal government funding to bring together other community leaders to discuss the issue of racial discrimination in the hope that it could be eliminated in this century.

There was a wonderful letter in the conference package that had been written by the hon. Paul Martin. He said he wished to acknowledge the work and contribution of the Human Rights and Race Relations Centre toward ending racial discrimination in this country. He acknowledged the dedication and commitment demonstrated by the staff and the volunteers—indeed all of them in this centre are volunteers—and that their efforts had been exemplary. He said that they all deserved to be commended for their efforts.

This is an excellent example of a group of Canadians who are working together without government funding to support and to further the process to eliminate discrimination.

The Speaker: I wonder, only because I take a special interest in what the hon. member is saying, would she clarify if that was the hon. Paul Martin Sr. or Jr.?

Mrs. Brown (Calgary Southeast): Mr. Speaker, this was from the hon. Paul Martin, Jr. It was a letter he had written dated March 13, 1995. It was to help give support to this group in Toronto. I wanted to share that with the House because he had written such a wonderful letter to them.

The Reform Party opposes the current concept of multiculturalism and hyphenated Canadianism pursued by the Government of Canada. We would end funding of the multiculturalism program and support the abolition of the department and the Secretary of State for Multiculturalism.

If the Minister of Finance sincerely wants ideas on how to cut the deficit he will get rid of this aspect of special interest funding. He would immediately save the taxpayers of Canada some $38.8 million a year. This also sends a powerful message to all concerned that beliefs in self–reliance, the indomitable spirit of the self in search of autonomy and independence is encouraged and championed in Canada.

• (1810)

Multiculturalism was introduced in the House of Commons on October 8, 1971. In the 23 years that have followed, it has been politically incorrect for anyone to criticize it. I will repeat that. It has been politically incorrect for anyone to criticize it, especially in the House of Commons. I do not know the number of times I have had to bear the label of being bigoted because I speak from a different point of view. I have no patience for that any longer when all I want to do is bring reasoned and rational debate to this issue.

In fact, members of Parliament from the Tories, the Grits and the NDP have all used the multiculturalism policy in a way that I believe is insincere, superficial and shallow in order to garner political support from ethnic communities.

We all want the right to retain our roots, but what we have is Trudeau's enforced multicultural scam and the costs have been excessive. Ethnic group is pitted against ethnic group and the country is fragmented into a thousand consciousnesses. Trudeau's ideas about multiculturalism continue to contribute as a primary factor in the erosion of federalism and Canada's unity. Catering to special interest groups a la Trudeau and company smashes the spine of federalism. This destructive outcome is almost inevitable so long as we officially encourage large groups to remain apart from the mainstream.

The multiculturalism policy of Canada was designed to "recognize and promote the understanding that multiculturalism reflects the cultural and racial diversity of Canadian society and acknowledges the freedom of all members of Canadian society to preserve, enhance and share their cultural heritage". It is intended to "promote full and equitable participation of individuals and communities of all origins" in all aspects of Canadian life, including "equal treatment and equal protection under the law, while respecting and valuing their diversity". The language of the policy is fairly innocuous and well meaning, but in practice it endorses special interest groups' agendas at the expense of the taxpayer.

Canadians remain unsure of what multiculturalism is, what it is trying to do and why and what it can accomplish in a free and democratic society such as ours. Multiculturalism can encompass folk songs, dance, food, festivals, arts and crafts, museums, heritage languages, ethnic studies, ethnic presses, race relations, culture sharing and human rights. Much of the opposition

to multiculturalism results from the indiscriminate application of the term to a wide range of situations, practices, expectations and goals as well as its institutionalization as state policy, an expensive one at that.

Public support for multiculturalism has been difficult to ascertain. In the early 1970s when the Royal Commission on Bilingualism and Biculturalism recommended the government introduce some ethnocultural policy, public support for multiculturalism was at around 76 per cent.

An Angus Reid poll in 1991 showed that figure has not changed much. It remains at 78 per cent. But what can we make of this level of support? Little to nothing, I suggest. At the same time that poll was being done, the Citizens' Forum on Canada's Future reported some uneasiness about the Canadian public's attitude toward multiculturalism policies. It stated:

> Overwhelmingly, participants told us that reminding us of our different origins is less useful in binding a unified country than emphasizing the things we have in common. While Canadians accept and value Canada's cultural diversity, they do not value many of the activities of the multicultural program of the federal government. These are seen as expensive and divisive in that they remind Canadians of their different origins rather than their shared symbols, society and future.

Further to this, a Decima survey was commissioned by the Canadian Council of Christians and Jews and was carried out in October 1993. The survey found that three out of four Canadians expressed a preference for an American style melting pot approach to immigration over the multicultural mosaic that has been officially promoted in Canada since the 1970s.

• (1815)

The survey also disclosed that Canadians generally are increasingly intolerant of interest group demands and that there is a relatively strong view that particularly ethnic, racial or religious minorities must make more efforts to adapt to Canada rather than insisting upon a maintenance of difference, especially at federal expense. Roughly similar proportions of visible minorities expressed the same sentiments.

This poll would suggest that it is the prevalent opinion amongst the groups targeted to receive multiculturalism grants that such grants are divisive. These are not my words; they come from others.

As I mentioned, criticism of the status quo has been increasing from the policy's supposed beneficiaries. For example, a fellow by the name of Jimmy who emigrated from Vietnam in 1980 and is now a technician at a photo processing lab commented: "The government spends too much money on something that's not necessary. Canada has freedom and work for anyone who wants it, and that is all newcomers need". In Richmond, a magazine editor by the name of Anthony agreed that government–sanctioned segregation is no good for Canada.

What seems to be clear is that there is an erosion of support for multiculturalism by the citizens of Canada. This erosion of support for the multicultural approach, particularly given that minorities themselves concur, does nothing to promote harmony and unity in Canada because it does not recognize that all Canadians are equal.

Our vision of Canada should be committed to the goal of social and personal well–being that values individuality while emphasizing themes like family and community assumption of responsibility, problem–solving and communicating these value–sets as a means to better group life. However, at no time should the rights of a group supersede the rights of individuals, unless the group happens to consist of a majority within Canada.

I have tried to show why the federal government's interpretations of multicultural support must come to an end. We can no longer spend money we do not have on financing such a notion. The Angus Reid study from 1991 clearly shows that not only has the multicultural program failed, but Canadians oppose it. One of the main reasons that Canadians oppose this policy is that it is divisive.

I would like to refer to Arthur Slessinger, Jr. Mr. Slessinger is not a conservative thinker whom I trot out to support my position. He is a well–known liberal, an American Democrat. He is the quintessential Liberal's liberal. Slessinger believes that by its very nature multiculturalism is dangerously divisive. It encourages government to segregate citizens along racial, ethnic and linguistic fault–lines. Then it compels them to dole out rights and money according to the labels people wear. Far better to focus on unifying forces, he advises, emphasising the characteristics, desires and beliefs that citizens hold in common. Otherwise, tribal hostilities will drive them apart.

Preservation of diverse cultural heritages can be left to individuals, families and private self–financing organizations.

In closing, I would like to acknowledge that my own personal circumstances are those that encompass a multicultural family. I have a daughter who has dual citizenship with Australia and Canada. I have another daughter who is married to a young man from Mexico; his name is Fernando Rodríguez. I have European roots myself, Croatian and Norwegian. My husband also has a European background. Our family is multicultural. It reflects very much the diversity and richness of those various cultures.

I speak as a Reformer in this House. I believe there is no place in our society for the federal government to continue to fund multiculturalism. However, I do believe that there is a price to be paid for forging a new nationality out of diverse elements. Simply put, there is a fair degree of tolerance and goodwill all around. I have learned that through my personal experience.

[*Translation*]

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I rise today to take part in this debate and to set the record straight and tell things the way they are. In Canada, multiculturalism is not an ideal; it is a reality.

• (1820)

[*English*]

Some people prefer to call this reality diversity or pluralism, or refer to the programs, policies and issues as intercultural, cross–cultural or ethnocultural. They can play the semantic game if they wish, but a rose by any other name is still a rose.

The hon. member who proposed this debate just said that we should never support group rights unless they are a majority. From my perspective and where I grew up, democracies are judged by how they treat their minorities.

Multiculturalism is not just a matter of the right of choice, which we all enjoy in our democracy in the maintaining of one's cultural roots. It is about respecting the right and ensuring it for all Canadians, whatever their race, religion, language or country of origin. It is about fostering a climate of mutual respect in a country where everyone is equal, where everyone has rights and, yes, responsibilities too. It is about equality. As our Prime Minister has said: "Equality is not about special interests or special rights. It is about social and economic justice."

[*Translation*]

Canada has a rich democratic tradition. The principles of justice, personal freedom, mutual respect, open mindedness, freedom, integration and the shared notions of justice have guided and shaped our social structures, our laws, our institutions and our way of life.

[*English*]

These are basic community and fundamental Canadian values. I would remind my hon. colleague—

[*Translation*]

—that the Prime Minister of Canada has often said our country's unity depends on its diversity, which is also our strength. It is in fact the essence of Canada.

[*English*]

I would say that we know that peace, prosperity and social harmony do not come from wishful thinking or letting the marketplace dictate or letting personal feelings prevail. They are partners in that undertaking, perhaps. They can only come about, in my perspective and in the perspective of this party, from good public policy, collaboration with the private sector, commitment and determination, and community goodwill.

[*Translation*]

The aim of the federal multicultural programs is to promote understanding among the various cultural communities. Who would quarrel with this objective? These programs are intended to help newcomers integrate into the country, to eliminate the obstacles to participation by all Canadians and to break down borders and put a stop to racial discrimination.

[*English*]

From a business and trade perspective, we find these policies have great economic benefits. The more we know about global markets, the more we can use the cultural and linguistic knowledge of Canadians in competing in those very markets where we now do global business and the more we will all benefit.

These are some of the things that multiculturalism is all about. It is far more than a case of enhancing and preserving culture. The hon. member surely realizes that we do not live in a perfect society.

There is discrimination, and although we may be number one on the UN list, we have not reached nirvana or utopia, to my knowledge, as yet. There are still talented people out there, citizens denied full access to the economic mainstream. There are still people out there sitting on the margins who have a vital contribution to make but are not able to make it because of discrimination, because of lack of understanding.

[*Translation*]

Linguistic, racial and religious tensions lead to misunderstanding. We sometimes take advantage of the public good. We often want to do things our way and we find it hard to put ourselves in others' shoes.

[*English*]

Good public policy and programs help all of us to stand tall and walk in confidence and pride as if we were in the other person's shoes.

• (1825)

I believe that Canada's multicultural policies and programs have helped ensure peace and stability over our great land. Certainly the rest of the world seems to think so.

By weaving together all the diverse cultures that people our land, we have created a magnificent Canadian tapestry, reflecting our Canadian culture, which is more than the sum of all its dynamic parts. At a cost that is not extraordinary, less than $1 per Canadian per year, this policy works at breaking down barriers and promoting institutional advances, thus providing individuals, as the member puts it, the freedom to pursue their

own cultural ideals in a society that can accommodate differences, build bridges, and profit from its pluralism.

Multiculturalism is not about living separately side by side; it is about living together. It is not about building walls; it is about tearing them down. It is about inclusion, not exclusion. It is about the fact that we are all Canadians. It is about respecting each other.

This government demonstrates leadership by tapping into the current and potential benefits of diversity. The multicultural program and policy, as I have said before, are good government policies. Its practices have evolved and are complemented by partnerships with individuals, corporations, organizations and other levels of government, whom I thank, as well as those individuals who serve them in a voluntary capacity.

Just for the member's information, we do not do song and dance or festivals, as she points out.

I am happy to share with the hon. member the initiatives we have taken with the Canadian Advertising Council and its study called "Colour Your Money", which shows that with sensitivity, good hiring practices and with the kind of publicity one would like to put out in our advertising milieu, diversity can be a very profitable business because one feels at home and welcome in the environment. I would be more than happy to share the successful partnerships we have had with the Canadian Association of Chiefs of Police, the Conference Board of Canada, the Asia–Pacific Foundation, the Federation of Canadian Municipalities, the Canadian Association of Broadcasters, Cineplex–Odeon, and many others too numerous to name.

We look to the future by working together with Canada's youth, with teachers, school boards and school trustees, by assisting in the development of films and books and then making them available to the children in our schools and in our public libraries. We build an environment that helps shape their lives. By encouraging understanding and co–operation among our youth, we help shape the future of Canada, a future of mutual respect, understanding and co–operation.

I would advise the hon. member—she spoke on the day to eliminate racism—to look at that group. It is a fine group that we help fund. We are very pleased with the work that many of these groups do, both in their voluntary and professional roles.

[*Translation*]

We must affirm and reaffirm the Canadian values expressed in our constitution and in the charter of rights and freedoms—the freedoms we take for granted—the right and the duty of each Canadian to protect and promote this exceptional democracy and to participate in it fully and equally.

[*English*]

Recently the Governor General said during his moving swearing–in speech: "I believe we still learn as much from our differences as from our similarities. When we only talk among ourselves, all we get back are echoes. We only grow if we take the time to quietly and carefully listen to each other."

[*Translation*]

He added that, in Canada, we recognize one fact in life. People here are true to their origins, and they bring their origins here with them. An infinite variety of traditions and cultures make up Canada's unique mosaic, providing a fine example for the world.

[*English*]

I would say to my hon. colleague, who has put what I consider to be an unenlightened approach before this House, that there are no hyphenated Canadians and there is no segregation in our policy. If someone chooses to segregate or hyphenate themselves, they have the freedom and the right to do so. It is too bad they feel they must separate themselves from the glorious undertakings that we have as a country and a nation that is the envy of the world in this regard.

• (1830)

I would say to her in my closing remarks that the bottom line to my hon. colleague is that national values can cut across racial, religious and cultural lines in Canada, allowing multiculturalism to flourish in the best interests of all of us. It would ensure "old–fashioned Canadian common sense" to be the inheritance of all of our children's tomorrows.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I intend to speak as the official opposition critic for multiculturalism, and I want to thank the hon. member for Calgary Southeast for giving me this opportunity to repeat the position of the Bloc quebecois on the federal government's multiculturalism policy. We believe there are several reasons why this policy should be abolished.

To put this debate into perspective, it would be useful to consider the official definition of this multiculturalism policy as read in a news bulletin from the Library of Parliament. We read that the term multiculturalism in Canada evokes the presence and survival of various racial and ethnic minorities that identify themselves as being different and wish to stay that way.

We should now look at the sequence of events that led up to the adoption of the policy on multiculturalism. It is 1971, under the Trudeau government, and the report of the Royal Commission on Bilingualism and Biculturalism has just been published. Always according to the library's news bulletin, the fourth volume of the report dealt with the contribution of ethnic groups

to the enrichment of Canadian culture and recommended the integration (and not assimilation) into Canadian society of non–founding ethnic groups, recognizing their rights and privileges as citizens and making them equal participants in Canada's institutions.

We should also remember that a new political party was founded in Quebec with the sovereignty of Quebec as its stated objective, and that in the election held the previous year, it obtained 22 per cent of the popular vote.

How ironic. Feeling the pressure from this new expression of Quebec's desire for independence, coming as it did shortly after the October crisis, the Trudeau team, including the present Prime Minister, decided to make some adjustments to the report's recommendation. As a result, the concept of integration that would recognize the rights of members of ethnic groups and their equal participation in society was abandoned in favour of the concept of promoting cultural differences. In so doing, the whole dialectic of two founding peoples with their own language and culture was submerged and diluted in this ocean of other languages and cultures.

It was a fine sleight of hand, and most Canadians did not notice, except, of course, Quebecers. Through then Premier Robert Bourassa, Quebecers resolutely dissociated themselves from this concept.

In an open letter to Mr. Trudeau, Mr. Bourassa first reminded his federal counterpart that his proposal was a betrayal of the work done by the commission, whose focus had been bilingualism and biculturalism, and thus the equal status of the two peoples. He regretted Mr. Trudeau's decision to dissociate culture and language. He went on to reject out of hand a policy whose objective would be to promote languages other than French in Quebec. Finally, he reminded the federal leader that in this case, the jurisdictions were purely provincial.

Quebec never changed its position, although leaders and political options changed regularly over the years. In fact, Quebec developed its own policy for integrating cultural communities, a policy similar to the one proposed by the Laurendeau–Dunton Royal Commission.

In Quebec, the emphasis is on integration. Not assimilation but integration. The official definition of integration is as follows: integration is long term multi–dimensional process of adaptation, distinct from assimilation. In this process, the knowledge and use of the common language of Quebec society is a fundamental driving force. The process is consolidated in a society, where participation by all Quebecers is guaranteed and where immigrants and members of cultural communities find their place and are recognized as full members of the communal, social and political life of a pluralistic francophone society.

• (1835)

This policy has received unanimous approval in Quebec; it is never an issue, unlike the Canadian policy.

We cannot help but notice that multiculturalism enjoys anything but unanimous approval. The Decima and Gallup polls published in 1993 showed that 75 per cent of Canadians rejected the policy of multiculturalism and favoured a style of integration similar to Quebec's.

Given the government's investment in multiculturalism, it is a sad thing to see it fail. For the year 1993–94 alone, the government invested $38,846 million. The program has existed for 20 years. How many billions of dollars have been invested to date in a flawed policy which the country does not want?

The policy is not working and even its target public, members of ethnic communities, are criticizing it. I cite as an example the overwhelming support for Neil Bissoondath's first book. His supporters were unanimous in saying that the government should only concern itself with helping immigrants to integrate into our society and fighting racism—end of story. He noted that the federal government's policy tended to create ethnic ghettos, which in no way foster integration and full participation in political, economic and social life.

We also cannot leave unmentioned the absurdities made possible by the multiculturalism policy. Barely six months ago, a consultation paper from the Minister of Justice proposed that culture or religion be permitted as a defence against criminal charges. Because of the ensueing uproar, the minister had to recant and withdraw the proposal. That is one example of how far some people will go to promote different cultures.

In closing, I would like to stress that a sovereign Quebec would continue to favour integration and respect. The current Minister of International Affairs, Cultural Communities and Immigration, Bernard Landry, confirmed that position just a month ago.

Please allow me to quote him: "Quebec will not use the public purse to subsidize cultural differences. Our government is against multiculturalism. Although the Quebec government acknowledges the fact that Quebec is multi–ethnic, it favours a policy of cultural convergence in one common culture, fortified by foreign sources". That sums up well Quebec's position on multiculturalisml and deals with the issue effectively.

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is my pleasure to address this House regarding Bill M–364, a motion advocating the transfer of responsibility for cultural preservation to individuals by discontinuing federal multicultural programs, proposed by the hon. member for Calgary Southeast. Today I would like to take the opportunity to address some of the arguments utilized by opponents of Canada's multicultural program.

Unfortunately, over the past few years the spread of misinformation regarding our federal multicultural policy has been prevalent. The popular misconception of multiculturalism is of

a government–funded program that pays people to, first, keep their native cultures and languages, and, second, that serves to divide the country. These myths have, to an extent, been further propagated following the release of Mr. Neil Bissoondath's recent book, entitled "Selling Illusions: The Cult of Multiculturalism". Although I certainly welcome this interesting publication as a means of stimulating debate in this area, I must also state my reservation about the unsubstantiated assertions made therein.

Mr. Bissoondath has misread the effects of multiculturalism by insinuating that money spent on multicultural events will reinforce stereotypes and lead to a break–up of the country socially.

I find perplexing the assumption that, for example, the display of a community's traditional dance could lead to divisiveness and negative stereotyping. This conclusion clearly is not credible. We know that multiculturalism does not promote or reinforce negative stereotypes.

• (1840)

In reference to the dance, I and my family, as individuals and collectively, felt that we must preserve certain customs, traditions and beliefs. Based on those needs, because of our ethnic background, we preserved what we wanted, what we felt was honourable and desirable to preserve and pass on from generation to generation. One of those activities was Ukrainian dance. Everyone in my family learned how to do the Kolemyka, the Hopokola, and other dances, which we all immensely enjoyed, not only with our members of the family but with other people in the community.

In these dances, there were not only those who were of Ukrainian ethnic background but of a multitude of ethnic backgrounds. That was the composition of the community in which I was raised. We all lived in perfect harmony with each other. No one decided that there should be a barrier between the Italians, the Germans, the Japanese, the Ukrainians or the Slovaks. We all had basically the same needs.

Moreover, Mr. Bissoondath draws a link between multiculturalism and the marginalization of immigrants. He relates the story of Canadian sprinter Ben Johnson, who, in a 24–hour period, was transformed in media sports from "the Canadian who had won Olympic gold through effort to the Jamaican immigrant who had lost it through use of drugs". It was from the positive to the negative, from the Canadian to the Jamaican immigrant. In my mind it is very clear that this type of media report is a result of ignorance and unconscious prejudice. It is certainly not a result of multiculturalism's assumed marginalizing effects.

The reality is that multiculturalism brings strength to this country. It is, however, a human characteristic to react in a reflex–like and emotional manner when confronted with unsubstantiated stories about certain communities. We should not allow rumours and hearsay to determine our policies. Unfounded stories are not based upon educated opinion and most certainly are not based upon facts.

I expect that the Reform Party's position is the result of sloppy and inaccurate research because I certainly do not want to believe that they are intentionally misguiding the Canadian public. Not for one moment do I believe that they would do such a thing.

However, Mr. Neil Bissoondath in his book, when referring to the Reform Party's opposition to multiculturalism, indicates:

> my attitude is at best suspicious. Reform strikes me as a party that suffers from an astounding lack of social generosity and counts among its membership too many who are either racially minded or, to coin a phrase, knowledge–challenged.

Multiculturalism was officially introduced into Parliament on October 8, 1971. It was expected to be a vehicle through which we would achieve a cultural mosaic, as opposed to the U.S. melting pot. Today, 42 per cent of Canadians have origins that are other than British or French. While people with European origins still make up the largest number of Canadians, more and more immigrants are coming to Canada from Asia, Africa, the Middle East, the Caribbean, and Central and South America.

This is changing the face of the Canadian population. In the 1986 census, visible minorities accounted for 6.3 per cent of the Canadian population. By 1991 this figure was almost 10 per cent. The visible minority population of major cities is greater. For instance, in Toronto it is 26 per cent; Vancouver, 24 per cent; and in Montreal, 11 per cent.

Canada's multiculturalism policy is one expression of leadership. The multiculturalism policy is rooted in Canadian values. It is consistent with the Canadian Charter of Rights and Freedoms, which establishes the fundamental freedoms and democratic rights of all individual Canadians, irrespective of national or ethnic origin. It is also consistent with the Canadian Human Rights Act, the Official Languages Act and the Citizenship Act.

• (1845)

Multiculturalism, as described under federal policy, is concerned with helping people become full participants in the life of Canada. It is certainly not concerned with the mandatory retention of culture and does not encourage cultural isolation, as some critics erroneously charge. There are the so–called ghettos of our communities where we my find, as we find in Thunder Bay, a large gathering of a certain group of people with a specific ethnic background. We find this happening because they choose to be neighbours. They choose based on their every day needs to be in constant contact with each other, to help each other, until they reach the point where they can communicate with anyone in their neighbourhood in the common language of

the area. In our case it could be English or, as in Quebec, it could be French.

In 1993–94, $25.5 million was spent on the federal multicultural program, which is less than Brian Mulroney spent on his prime ministerial aircraft. The notion that $25.5 million per year, which is less than a dollar per citizen, could ensure the isolation of Canadians into cultural–ethnic cliques is hardly believable. Moreover, one must keep in mind that an important component of the original policy was founded on the assumption that encouraging people to be confident in their own cultures would allow them to be accepting of the cultures of other groups. The official policy encourages Canadians of all ethnic origins to participate fully in the economic and social life of Canada, sharing their cultures and histories with each other.

It is unfortunate that members in the opposition benches are insinuating that multiculturalism and cultural diversity somehow preclude national unity and inhibit our ability to be part of the whole. This could not be further from the truth. Canadians of all origins do maintain a sense of their own cultural identity and at the same time adhere to the Canadian values of democracy and tolerance. There is no reason to believe that the two are mutually exclusive. That is a notion that has somehow been propagated by opponents of multiculturalism and it is extremely misleading and irresponsible. The proof for this is in the Canada of today. We are culturally diverse, and yet if we ask the majority of immigrants they will tell you that they are first and foremost Canadians.

I would like to conclude with a quote from a Toronto *Star* article dated June 21, 1991. It refers to the experience of an author. Her name is Myrna Kostash, grand–daughter of Ukrainian immigrants that settled in Alberta. She stated:

> Multiculturalism policy and its institutions allowed me to take part in Canadian life. It allowed me to get out of the ghetto. During my own childhood, ethnic cultures were private, taking place in Ukrainian churches and in youth groups. I was aware that I was dropping out of my peer group in order to be Ukrainian. But with the advent of multiculturalism, I felt that when I spoke as a Canadian–Ukrainian writer, I was doing it within the mainstream institutions of Canadian literary life. I became a Canadian through this sense of entitlement. I didn't have to choose between public and private cells. Both came together through multiculturalism.

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, it is a pleasure to rise in the House to speak in favour of my colleague's motion, private member's motion No. 364. The motion provides for the transfer of the control of multiculturalism away from the federal government to individuals. Essentially, the motion put forward by my colleague from Calgary Southeast calls for the withdrawal of federal funding to multicultural groups.

I concur with that objective. However, just because I think the state should not be funding various cultural groups does not mean that I dislike these groups. Just because I disagree with government imposed multicultural policies it should not be construed to suggest that I dislike other linguistic or ethnic groups. I am arguing against government policy, not against cultural groups.

• (1850)

After all my roots are different from the roots of many other people. Together those generations of various ancestral heritage came to this country to settle and build what became by far the best country in the world. This country was opened up, settled and built without a multicultural policy. In fact I doubt if the term multiculturalism was even coined when my parents came to this country back in the twenties.

My roots are a mixture, a real hodge–podge so to speak. My linguistic heritage is Prussian German but my ancestral affiliation and connection include not only central European heritage but east European heritage, Slavic heritage, including Ukrainian, Polish and Russian. My parents understood and spoke these languages, plus what they called Yiddish. I am led to believe that Yiddish is a kind of Germanic way of speaking Hebrew. If that makes any linguistic sense I really do not know. In a land, in a country, that encompasses much of the earth's land mass with over 150 cultural groups, who am I to question what makes sense in that part of the world. Come to think of it, perhaps there are lessons to be learned given the turmoil that existed for centuries in tsarist imperial Russia, then in the former Soviet Union and presently in the newly created state of Russia.

My parents left their homelands, along with hundreds of thousands of other people from that area, having lived in those lands for almost 200 years. They left to escape the tyranny that was to enslave the people for over 70 years. They came to Canada, where everything was new and very unfamiliar. They had nothing when they came halfway around the world.

However they had freedom. They had liberty. They had liberty and freedom that the people back in the land from whence my parents came could not even imagine or dream about. My parents embraced their newly adopted country with energy and a zeal that was typical of newcomers during that time. Like those who came from places other than Britain, they soon learned English like everyone else. Some youngsters did not learn English until they started school.

For years, for generations, like thousands of families not only from eastern Europe but from all over the world they held on to some aspects of the culture that they had lived with before they came to this country.

Mr. Speaker, do you want to know something? These people all came usually with little or no money and they received not one thin dime from government. Not only did they not ask for money, they did not expect any government money. They came to this country for freedom and for the tremendous opportunities

that this great and beautiful land afforded them. They settled and built communities that helped to build this country.

I suggest to the multicultural minister that what transpired during those pioneering decades was real, genuine, unvarnished multiculturalism. All these people, these families from varied backgrounds, from different parts of the world worked together and co–operated to build churches, schools and communities. Together they worked to build the country.

That was multiculturalism at its finest with no government dollars. They were all proud of the fact that they had become and were Canadian.

Since government funding for all types of programs began, many communities have divided. Friction and animosity has developed. Dependency on the state, on government handouts has been created. Apparently the multicultural minister thinks so too because she has recently mused that Canada has no culture.

• (1855)

I would suggest the minister leave the confines of Montreal and Ottawa and visit rural Canada, the west and Atlantic Canada. She might be pleasantly surprised, if she stays for awhile, of the flourishing culture that she might not only see but also feel. I suspect culture in this country would flourish even more and probably bring Canadians closer together from all parts of the country if the state would only get its nasty little nose out of culture, along with its close sister multiculturalism.

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, I know I have a very short time so I will try to be brief. It is very difficult to be brief.

Multiculturalism is about a participatory democracy. The members opposite have consistently used the myths out there in society to defend a position instead of using that which they know to be the truth and the facts from the department itself.

My colleague and I were talking about experiences when we were growing up, experiences that are still happening today, where the teachers would stream whole classrooms of kids into vocational schools because they were Italian, Portuguese, Ukrainian, Polish or what have you. That happened then and it is happening now in Toronto with the Portuguese kids. It is happening with the black children. It is happening everywhere.

Multiculturalism tries to break down those kinds of barriers so that those children have equal access by providing race relations programs and holding discussions in schools to understand the differences, that these children are not inferior in any way. We were not. My whole generation was streamed into vocational schools when we came to this country. Multiculturalism empowered my whole generation and a lot of other Canadians who were of different backgrounds and did not have the ability.

I will tell another story. Earlier today we were talking about Harbourfront. Not long ago, in the late 1980s, a group was putting on a poetry reading. They were choosing the names of poets who were published but not yet well known across Canada. One of the staffers who happened to be of Ukrainian background said: "Oh, there is a really good poet I know in Toronto who is published in his community but not across the country. His name is Pier Giorgio DeCicco". They said: "This is for Canadians, not for foreigners".

The multiculturalism policy is intended to create participatory democracy, to give access, to give equality, to allow Canada to evolve into a strong nation.

We talk about the fact that we are Canadians and we have all these common symbols but it is a bunch of garbage and words because it means bloody nothing when it comes down to the facts and the lives of every Canadian, when it comes to the systemic discrimination that exists in all institutions.

I spent 20 years of my life working in Toronto with multicultural and immigrant groups. Most of that time I spent fighting the invisible discrimination and systemic barriers in the school systems and in social services that people could not access because they were not of Anglo background. To this day in metropolitan Toronto, one still cannot access the majority of the dollars for social programs unless one is from the Anglo community.

This is about participatory democracy, rights, equality and being a Canadian. The members opposite should inform themselves before they speak about myths.

• (1900)

Mrs. Brown (Calgary Southeast): Mr. Speaker, I have a couple of things I would like to say. First, I have very much appreciated having the opportunity to debate this matter today with other members of the House. I note their passion and their sense of wanting to debate this further. To that end I would seek unanimous consent of the House that this become a votable item and move it to committee as quickly as possible for further discussion.

The Speaker: Is there unanimous consent?

Some hon. members: No.

The Speaker: There is not unanimous consent. The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

JUSTICE

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, I would like to follow up on a question I asked the Minister of Justice on February 15. It regards the disturbing trend whereby defence lawyers subpoena private and confidential files and records from counsellors at sexual assault centres, from psychiatrists, doctors and other personal counsellors for use in the defence of their clients.

I thank the minister for his attention to this issue and for his informed response. However, I would like to share with the House the angst and concern that exists among constituents in my riding when they think of these personal documents being brought into the courtroom.

I like to share with the House some words from a constituent who wrote to me: "For many of us, the only safe place to talk about our injuries is in therapy. Therapy is a place where victims can learn to re–establish their own self–worth without being abused again. The counsellor offers the support that is desperately needed in order to learn how to set safe boundaries, learn about self–worth, the right to privacy, that it is okay to say no, it is okay to validate our own needs, it is okay to be angry and how to express that anger in a safe and constructive manner.

"In therapy, we learn that we are not powerless to our perpetrators and that it was not okay to be violated in the manner in which we were. We are given a place to safely express our emotions and validate our own feelings, even if we are the only ones that do. For many of us this is the only safe support that we have.

"This is a very sad day because now the defence lawyers want to take away what little privacy we as victims have and violate us all over again. My therapy is very personal to me. I can talk about my pain and my goals, my hopes and my fears. I pay good money for the right for that support to allow me to create my own boundaries. I urge you as a representative of my government to stop this injustice".

Those words are poignant and they are instructive. They tell us that victims of violence do not want these very private and therapeutic conversations to be part of the courtroom proceedings.

In 1992 the House passed very good legislation with the rape shield law. We know recently that in Nova Scotia the law was challenged and fortunately, the Minister of Justice intervened and the integrity of that law was maintained. With this right to subpoena we see a back door approach to get confidential information into the courtrooms where it should not be and where it creates difficulties for people like my constituent.

I know the minister is working very hard on this. I know he has intervened in the Supreme Court case that is reviewing the result of a B.C. appeal that would require strict controls over the use of this information in court. I thank the minister for that intervention. I hope the Supreme Court will judge in favour and allow the result of the appeal in the B.C. judgment to be available to all of us in Canada.

I ask the minister to continue his diligent review in this regard. I realize the issues are complex, but I ask him to find a balance between providing a fair trial for the accused and for the victim a right to privacy.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as the hon. member for Brant has said, this is a troubling and complex issue which places in conflict two compelling sets of interests.

On the one hand, victims need to be able to seek counselling and medical assistance in confidence and with full respect for their privacy and personal integrity, both at the time of their counselling and later on in any court proceedings. On the other hand, people accused of serious offences need to be able to bring forth relevant evidence that may establish their innocence. Courts across the country are grappling in individual cases with the very difficult balance of victims' and accused persons' interests.

• (1905)

The Supreme Court of Canada heard argument on this issue in the case of O'Connor v. the Queen on February 1. The federal government intervened in that case to urge the court to endorse a strengthened version of the guidelines developed by the British Columbia Court of Appeal. The Supreme Court has reserved its decision.

The O'Connor guidelines developed by the B.C. Court of Appeal are designed to prevent fishing expeditions into the complainant's past. They place the onus on the person seeking access to the records to establish that they are relevant. This is done through a two part procedure which may be done in camera with a ban on publication and at which the complainant and the holder of the records are not compellable witnesses.

At present and subject to the decision of the Supreme Court, the O'Connor procedure is binding only in British Columbia. At a January federal–provincial–territorial meeting of ministers responsible for justice, it was agreed to review the B.C. Court of Appeal guidelines with a view to having them adopted in each jurisdiction. This would govern the situation pending the decision of the Supreme Court in O'Connor and pending any new legislation in that area.

It was further agreed that the issue requires urgent attention. Consequently, officials were directed to work on it and report to the deputy ministers at their next meeting in the spring.

The Department of Justice is consulting with interested groups and individuals to determine how personal records are in fact used, to fully explore all perspectives and concerns, and to develop ways of balancing the complainant's interests with those of the accused.

THE ENVIRONMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on March 29 I rose in the Chamber to put a question to the Minister of the Environment. At that time world leaders were just beginning talks in Berlin aimed at stabilizing levels of greenhouse gases now threatening earth's climate.

The talks are the result of the June 1992 meetings of 106 of the world's nations. Those talks were held in Rio de Janeiro with the purpose to sign the framework convention on climate change.

Since that meeting in Rio, more than 100 nations have ratified the Rio treaty. Now in Berlin the world's leaders are meeting to assess our progress since 1992 and consider proposals to strengthen the agreement.

Sadly, as important and indeed as critical as this is, there is not much to assess. Canada, like so many other countries that made commitments to the reduction of greenhouse gas emissions, has failed miserably to live up to those commitments. As we speak tonight, the Minister of the Environment is likely in Berlin. Just as likely, she is embarrassed by the position Canada is in with regard to the commitments we made in Rio.

When we look at what has happened since Rio, we do not have to look far to see that nearly nine billion more tonnes of carbon have accumulated in the atmosphere and the evidence of climate change is mounting. In fact, in response to the crisis the Minister of the Environment acknowledged the crisis and even went so far as to say that if Canada and the other nations which are emitting greenhouse gases do not do something about this, climate change and global warming will create a situation where floods will occur off the east coast of Canada and tiny but beautiful Prince Edward Island will be all but submerged.

It is hard for me to imagine that the Minister of the Environment knows about the possibility of this catastrophic event and she is not prepared to take immediate and dramatic steps to combat it. I hope we do not have to wait for the day when my good friends in Prince Edward Island are looking for new homes in Ontario or Saskatchewan before we begin to take this issue seriously.

Carbon emissions are increasing. This represents a trend that is moving dangerously in the wrong direction.

According to the latest *Worldwatch* magazine, in order to stop the accumulation of greenhouse gases and allow the earth to return to equilibrium over a period of centuries—yes, you heard me correctly, Mr. Speaker, I said centuries—scientists say that carbon emissions will have to be reduced to the rate at which the oceans can absorb them, or 60 to 80 per cent below today's rate.

Yet on the current path, emissions are projected to increase by 60 per cent within the next two decades. Obviously the earth's atmosphere will require sharp cuts in industrial country emissions and a rapid slowdown in emissions growth in developing countries. This means that all the nations of the world need to have action plans in place to guide the progress of this critical issue. No nation can afford to sit on the sidelines.

It is clear the world is facing an issue with uniquely large and irreversible consequences. The delegates in Berlin cannot afford to waste the opportunity to begin turning the ship around. Given that, I ask the minister why Canada's wimpy actions on climate change are not as forceful as our resolve to preserve the fish stocks off the Atlantic coast.

I hope the government today is prepared to say we have to do better.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the federal government in partnership with the provinces and territories has reached a national consensus on the directions Canada will take to address the challenge of climate change.

In a meeting in Toronto on February 20, energy and environment ministers from the federal, provincial and territorial governments agreed to Canada's national action program on climate change. The Deputy Prime Minister tabled the action plan today at the first conference of the parties to the framework convention on climate change in Berlin.

The action program sets out the strategic directions Canada will follow to meet its commitment to stabilize greenhouse gas emissions at 1990 levels by the year 2000. The action program is based on the principle of sustainable development as advocated by the Brundtland commission, an approach in which environmental, social and economic policies are fully integrated.

Consequently, the action program provides the opportunity for each jurisdiction in Canada to undertake actions appropriate to their circumstances. The program is a living document. The federal, provincial and territorial governments are committed to reviewing the program regularly to ensure that Canada's stabilization commitment is met.

Toward that end all ministers committed to review progress by late 1990 and agreed to continue developing options to close the 13 per cent stabilization gap that currently exists. The release today of Quebec's action plan on climate change is a noteworthy example of the action being taken by other jurisdictions in Canada.

The aim of this government as stated in the red book is to co–operatively work with provincial and urban governments to improve energy efficiency and increase the use of renewable energies.

Responding to the challenge of climate change represents a tremendous opportunity for Canadians to use their entrepreneurial spirit to forge ahead with creative and credible solutions, solutions that work for the environment and for our economy.

[*Translation*]

The President: Colleagues, pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.14 p.m.)

HOUSE OF COMMONS

Thursday, April 6, 1995

The House met at 10 a.m.

Prayers

[*English*]

POINTS OF ORDER

COMMENTS IN HANSARD

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I want to draw to the attention of the House a remark I made in *Hansard* yesterday. I had a wrong number and I want to correct the mistake on page 11553.

I said that we are going to be spending $9 billion on interest payments for every dollar that is cut. What I meant to say was, for the $9 billion in cuts that were made, we will be spending about $9 billion in interest as well. For every dollar cut, there will be an extra dollar in interest payments on the deficit.

INDIAN AFFAIRS

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, yesterday in question period I indicated that a charge had been laid in the Stoney matter. This was based on information that I had received. In fact, the charge has not been laid at this stage. It would be inappropriate for me to indicate if and when the RCMP is laying the charge. That information would better come from the RCMP itself.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 44 petitions.

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 72nd report of the Standing Committee on Procedure and House Affairs regarding the membership of standing committees.

[*Translation*]

With leave of the House, I intend to move for concurrence in the 72nd report later this day.

* * *

[*English*]

ROYAL CANADIAN MINT ACT

Hon. Herb Gray (for the Minister of Public Works and Government Services, Lib.) moved for leave to introduce Bill C–82, an act to amend the Royal Canadian Mint Act.

(Motions deemed adopted, bill read the first time and printed.)

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the 72nd report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

* * *

PETITIONS

ASSISTED SUICIDE

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present two petitions from constituents in my riding of Comox—Alberni.

The first petition contains 607 signatures and deals with section 241 of the Criminal Code. Section 241 makes aiding, abetting or counselling a person to commit suicide an indictable

offence. The petitioners request that Parliament not repeal or amend section 241 of the Criminal Code in any way and to uphold the Supreme Court of Canada decision of September 30, 1993 to disallow assisted suicide euthanasia.

CAPITAL PUNISHMENT

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, in the second petition containing 303 signatures, the petitioners request that Parliament hold a national binding referendum on capital punishment.

CANADIAN WHEAT BOARD

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, pursuant to Standing Order 36 I have the honour on behalf of some constituents of the Vegreville constituency to table a petition in the House today. The 26 petitioners are requesting Parliament to continue to give the Canadian Wheat Board monopoly powers in marketing wheat and barley for export.

THE DEFICIT

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, pursuant to Standing Order 36 I am presenting a petition signed by petitioners in the Markham—Whitchurch—Stouffville area. These petitioners call on Parliament to reduce the deficit by cutting wastage and reducing the overall expense of every government department by at least 5 per cent.

UNEMPLOYMENT INSURANCE

Mr. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have a petition signed by more than 400 constituents in a very rural and remote area on the westerly side of Miramichi. They feel they are being discriminated against by the Unemployment Insurance Act.

• (1015)

They petition Parliament to reform the UI boundaries, which affect their remote and isolated communities in a negative way. They believe they are not being treated fairly under that commission.

GUN CONTROL

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I also rise, pursuant to Standing Order 36, to present a number of petitions from constituents in my riding who have concerns about the present firearms legislation.

These constituents call on the government to support laws that will severely punish violent criminals, which of course the minister has, but to also support legislation that will repeal and modify existing gun control laws, which have not improved public safety or have not proven to be cost effective.

SEXUAL ORIENTATION

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, pursuant to Standing Order 36, I too would like to present petitions. One is from the constituents of Beaver River, Redwater, Thorhild, Radway, and the Waskatenau area, who are calling upon Parliament to be very careful about the Canadian Human Rights Act, to make sure there is not the inclusion of sexual orientation.

They are saying that because the inclusion of sexual orientation in the Canadian Human Rights Act would provide certain groups with special status, rights and privileges and that they would be granted solely on the basis of sexual behaviour, that inclusion would infringe on the historic rights of Canadians, such as the freedom of religion, conscience, expression and association.

These people are humbly calling upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Charter of Rights and Freedoms that provide for the inclusion of the phrase "sexual orientation".

I present those with pride as the member for Beaver River.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present in the House today four petitions from my riding.

The first petition deals with a request for the Government of Canada not to amend the Human Rights Act to include the undefined phrase "sexual orientation". Refusing to define this statement leaves interpretation open to the courts, a very dangerous precedent to set. Parliament has a responsibility to Canadians to ensure that legislation cannot be misinterpreted.

GUN CONTROL

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition is on the subject of Bill C–68, the gun control bill. The petitioners believe the target for all gun control laws in the Criminal Code of Canada must be the criminals who are a danger to the public safety, not law–abiding, responsible firearm owners.

CHILD CARE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is on the subject of child care. The petitioners believe current federal government child care policies are intrusive and discriminate against many families. They believe parents should have the freedom to make the choices about what type of child care is best for their families.

The petitioners request Parliament to oppose any legislation that will increase child care expenditures.

JUSTICE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the final petition is on the subject of drinking and violence. The petitioners were shocked by the recent Supreme Court decision, and

they believe all individuals must be held fully responsible for their actions, even while under the influence of alcohol.

I concur with these petitions.

GOVERNMENT SPENDING

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is my pleasure to present a petition signed by over 800 people in my riding of Red Deer. The citizens express their concern that they are already overburdened with taxation due to high government spending. Therefore, the petitioners humbly pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

YOUNG OFFENDERS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I did not want to take too much time. We do have 15 minutes. I have a couple of other petitions. One is on the Young Offenders Act, signed by a number of people from St. Paul, Saddle Lake, St. Vincent, and a number of other places across Beaver River. They want an act that is serious enough to deter young people from committing crimes and tough enough to provide real justice.

The Young Offenders Act in its current form is not meeting the objectives. These people are calling upon Parliament to make sure we have a really forceful Young Offenders Act, in addition to the Criminal Code.

CANADIAN BROADCASTING CORPORATION

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I also have a petition on CBC programming. The petitioners are concerned about Canadian broadcasting, that the CBC is playing programs like "Kids in the Hall". They do not fulfil CBC's mandate. These people are concerned about this particular program, as well as others. They are saying that these kinds of incidents in programs are becoming more and more frequent.

They are asking Parliament to enact legislation that would provide very specific standards of acceptable conduct and content for CBC television programs.

JUSTICE

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, it is my honour to present a petition, pursuant to Standing Order 36. The petitioners point out that many violent offenders and sex offenders are being paroled prematurely or are being released without proper treatment and rehabilitation. They believe that those people convicted of dangerous and sexual offences ought to remain incarcerated until they have successfully undergone treatment and can demonstrate unequivocally that they have been completely rehabilitated. They are asking that the government take whatever steps are necessary to assure this.

• (1020)

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following question will be answered today: No. 102.

[*Text*]

Question No. 102—**Mr. Breitkreuz:**

For each federal riding, what has been the total amount of financial assistance provided by the Federal Office of Regional Development—Quebec from October 25, 1993, to date?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Contributions approved under the Federal Office of Regional Development—Quebec programming for the period October 25, 1993 to November 1, 1994 inclusively are listed on the following chart.

It does not include any contributions made under the federal–provincial–municipal infrastructure works program and the industrial and tourism agreements, which fall under the purview of other federal departments.

Riding (1988 electoral map)	Approved Contribution
Abitibi	$4,055,188
Ahuntsic	$3,167,000
Anjou—Rivière-des-Prairies	$3,660,737
Argenteuil—Papineau	$977,632
Beauce	$721,055
Beauharnois—Salaberry	$99,375
Bellechasse	$906,120
Berthier—Montcalm	$2,484,270
Blainville—Deux-Montagnes	$950,401
Bonaventure—Îles-de-la-Madeleine	$$1,138,175
Bourassa	$22,000
Brome—Missisquoi	$257,300
Chambly	$436,250
Champlain	$1,974,272
Gatineau—La Lièvre	$530,225
Charlesbourg	$247,705
Charlevoix	$2,239,092
Châteauguay	$447,940
Chicoutimi	$5,408,048
Drummond	$2,611,213
Laval Est	$60,000
Frontenac	$864,855
Gaspé	$1,162,520
Hochelaga—Maisonneuve	$5,866,235
Hull—Aylmer	$285,775
Joliette	$87,500
Jonquière	$128,185
Kamouraska—Rivière-du-Loup	$1,956,121
Lachine—Lac-Saint-Louis	$1,232,040
Lac-Saint-Jean	$165,792
Québec	$136,100
La Prairie	$174,520
Lasalle-Émard	$1,126,600

Riding (1988 electoral map)	Approved Contribution
Laurentides	$862,940
Laurier—Sainte-Marie	$2,957,600
Laval Ouest	$60,150
Laval Centre	$1,263,712
Lévis	$152,350
Longueuil	$486,980
Lotbinière	$910,360
Louis-Hébert	$468,180
Manicouagan	$699,062
Matapédia—Matane	$627,220
Mégantic—Compton—Stanstead	$516,930
Mercier	$1,604,500
Beauport—Montmorency—Orléans	$1,656,970
Mont-Royal	$481,305
Notre-Dame-de-Grâce	$901,150
Outremont	$4,436,412
Papineau—Saint-Michel	$25,000
Pierrefonds—Dollard	$19,500
Pontiac—Gatineau—Labelle	$3,463,140
Portneuf	$1,001,079
Québec-Est	$471,879
Richelieu	$1,916,210
Richmond—Wolfe	$1,203,610
Rimouski—Témiscouata	$385,675
Roberval	$2,493,361
Rosemont	$55,999
Saint-Denis	$2,028,800
Saint-Henri-Westmount	$6,059,916
Saint-Hubert	$128,000
Saint-Hyacinthe—Bagot	$232,850
Saint-Jean	$849,750
Saint-Laurent—Cartierville	$2,963,283
Saint-Léonard	$357,700
Saint-Maurice	$5,995,460
Shefford	$736,325
Sherbrooke	$6,102,590
Témiscamingue	$488,734
Terrebonne	$123,325
Trois-Rivières	$7,095,040
Vaudreuil	$1,136,500
Verchères	289,904
Verdun—Saint-Paul	75,186
	$109,363,878

[*English*]

Mr. Milliken: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in response to popular demand, if Question Nos. 83 and 91, one standing in the name of the hon. member for Saint John, who has been protesting the delay in getting the answer, could be made Orders for Returns, I would be pleased to table those returns immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 83—**Mr. Cummins:**

With respect to the Early Stuart and Early Summer sockeye migrations and the Steveston Field Unit of the Department of Fisheries and Oceans and each of the other such Field Units on the Fraser River system and the area covered by each such unit, for the years 1993 and 1994, (*a*) what were the staffing levels at each such unit and what were the staffing levels during weekends and statutory holidays during these migrations, (*b*) did staffing levels allow staff to be on the fishing grounds to conduct complete pre-fishing opening and post fishery clean-up patrols, (*c*) did staffing levels allow for pro-active patrols on a regular basis and full coverage of the native fishery during the open times, (*d*) what level of fishing occurred prior to the opening and the closing of the fishery, (*e*) what was the nature of the monitoring of the mandatory landing sites, were the mandatory landing sites monitored at all times during fishery openings on a regular basis, were there occasions when fishermen desired to land fish at a site but there were no monitored landing sites available, (*f*) did the monitors at the landing sites count the fish as stipulated in the Aboriginal Fisheries Agreements, (*g*) what was the level of catch monitoring and enforcement for Ceremonial Licences, (*h*) what was the level of night fishing and the level and consistency of the monitoring of such fishing and (*i*) what was the number of persons charged with infractions of fisheries regulations?

Return tabled.

Question No. 91—**Mrs. Wayne:**

For each federal riding, what has been the total amount of financial assistance provided by the Atlantic Canada Opportunities Agency from November 4, 1993 to date?

Return tabled.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed from April 3 consideration of the motion that Bill C-76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

Mr. John Cummins (Delta, Ref.): Mr. Speaker, this morning, in addressing the issue of the budget, I would like to address it with specific reference to fish. I know that hon. members will be relieved to hear that the issue of fish in the budget will be addressed this morning.

Spending on fish will decline appreciably over the next three years. In fact, it will decline by $211 million in the next budget.

Our party believes that government spending is out of control and that serious cuts should be made. That being said, our party recognizes that there are certain responsibilities the government has, including a constitutional responsibility to manage Canada's fisheries resource in a responsible and reasonable manner.

We should not simply go into the Department of Fisheries and Oceans and willy–nilly cut the budget. We have to do it with great care and caution to ensure that this valuable resource, a resource that could in fact be the engine of the economy on both coasts of our country, is protected.

To begin with, I would like to look at a couple of points in the budget and discuss the impact they will have on the fisheries.

The budget indicates that the government will negotiate with the provinces to transfer authorities for freshwater habitat management and other related inland responsibilities. In other words, the government's objective is to transfer its constitutional responsibility for the inland fisheries resource to the provinces. At the outset, that may seem like a reasonable objective. The fact of the matter is, it denies a very critical problem in the country, that is, the difficulty that is faced by many resource–based communities in our country, communities where the resource extraction may be seasonal, where populations are growing, and where transportation routes are very difficult. That is a problem that we must address as a nation. It is a problem that exists not only in the more remote northern regions of the prairie provinces, but it is also a problem that is becoming more and more evident in the province of Newfoundland, for example.

Last spring, in the standing committee hearings on problems in Newfoundland, the same types of social problems that we have heard about for years, which are occurring and have occurred in the northern communities, in prairie provinces and in the territories, are appearing now in Newfoundland because of the loss of a very valuable fisheries resource.

• (1025)

The federal government, in trying to sidestep its responsibilities in this area, will help no one.

Another issue in the budget states: "to integrate the operations and fleet of the Canadian Coast Guard with the Department of Fisheries and Oceans in order to increase efficiency". We are all for increasing efficiency. The issue that must be determined is if we downsize both fleets and use one smaller fleet to cover both objectives, what will be the priority of that fleet? If the priority is maintaining navigation aids when there is an ongoing fishery, what happens to the enforcement in the fisheries resource? By the same token, if the coast guard vessels are going to be diverted to the fishery, what happens to the aids to navigation?

We have to look at combining these two operations, but we must make sure that our priorities and responsibilities are maintained. Simply cutting back on the number of vessels and personnel available is not going to do the job.

This government fell down badly on this point in this past salmon season. In the past the coast guard was given the authority on the west coast to enforce fishery law. This did not happen in the 1994 season.

One instance was reported to me where a coast guard vessel was returning from an operational patrol of Vancouver Island. It was called to the Tsawwassen ferry terminal by the B.C. Ferry Corporation because of illegal fishing activity by Americans in Canadian waters. When the coast guard vessel arrived it did not have the authority to arrest those vessels. All it could do was advise them to leave Canadian waters. They tried to contact the Department of Fisheries and Oceans, but no one was available. At that hour of the day the offices were closed and the only contact they had was with a fisheries officer far up river who said: "I'm monitoring a fishery up here, there is nothing I can do".

We must make sure that our priorities are clearly established if we are going to follow the route the government proposes.

There is a proposal to rationalize commercial fishing harbours, including implementing higher fees for use. I have nothing against paying our own way. My party strongly supports that principle. The last thing we want to do is impose fees on people when they are on their knees. That is the case on both coasts. It is an inappropriate time to increase taxes on the fishing industry when it is hardly able to make a living.

Much of the responsibility for that falls not only on this government, of course, but on previous governments.

The government also seeks to enter into partnerships with the fishing industry and others in the management of capacity, licensing and compliance, and it says it looks to industry to pay more for access privileges, contribute toward the cost of managing the fishery and pay higher fees for services. Again, this comes at a time when mismanagement by the federal government has seriously weakened the ability of the fishing industry to pay, not only on the east coast but also on the west coast.

The collapse of the fishery in 1994 was the direct responsibility and directly attributable to the Minister of Fisheries and Oceans. It was a devastation, the effect of which will take probably 12 years from which to recover on the west coast for that cycle of fish. Yet we are expecting fishermen to pay higher licensing fees when it will be very difficult for them to maintain payments on their boats, let alone absorb higher licensing fees.

The same can be said, of course, for the problems on the east coast.

The cut of $211 million from the budget of the Department of Fisheries and Oceans is something that must be done very carefully, as I suggested earlier.

• (1030)

The Department of Fisheries and Oceans has experienced serious budget cuts over the last two or three years. The effects of those cuts, particularly on the west coast, have been dramatic.

I want to quote the concerns expressed by fisheries officers to the minister on November 2, 1994. The fisheries officers were pointing out the difficulties they have experienced because of budget cuts. They suggested that budget allocations did not provide for the successful delivery of programs and untrained staff members were not able to carry out enforcement controls. The monitoring of the catch was affected and so on.

Three months before the opening of the 1994 fishery season, senior fisheries officials on the west coast were warning of a disaster if the level of enforcement was further downgraded. I will quote from a report by R.K. Carson, area manager, Fraser River division. He says:

> The impact of a further—cut will have significant ramifications on the success of the implementation of the AFS agreements along the Fraser River. The reduced level of fishery officers and fishery guardians—will result in non–compliance with terms and conditions of agreements, licences, regulations and loss of control of this fishery. The resource will suffer and we could have another repeat of the 'missing sockeye' problems that occurred in the 1992 season.

That is exactly what happened.

In a report by D. Aurel, chief, conservation and protection, New Westminster, it was noted as well that budget cuts would reduce the free trade officer's allotment in the fisheries. He points out that:

> —a 1993 investigation into the illegal export of two million pounds of chum salmon has resulted in 15 charges pending against one fish processing company. These types of serious FTA violations cannot be investigated by one officer alone.

The list goes on. However, when we cut in a department like fisheries we must do it with care.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, I welcome this opportunity to speak this morning to the amendment proposed by the hon. member for Saint–Hyacinthe—Bagot. This debate on Bill C–76, on provisions to implement certain changes in the 1995–96 Budget that will affect transfers to the provinces, concerns all Canadians and Quebecers.

I would like to start with a short summary of the major changes introduced by the 1995–96 Budget, after which, as the official opposition's representative for seniors organizations, I will try to show what the federal government has in mind with its plan to reduce old age pensions in 1997.

Transfers to the provinces are not changed by the 1995–96 budget. Today, there are three main transfer programs: Established Programs Financing, $21.73 billion; equalization, $8.87 billion; and the Canada Assistance Plan, $7.95 billion. The federal budget did not make any changes in the equalization program but it has extended the ceiling provision for equalization for a period of five years.

Section 48 in Bill C–76 will deprive Quebec of $650 million in 1996–97. Bill C–76 proposes new national standards for health care and provides for establishing new national standards for social assistance and post–secondary education. This new federalism does not decentralize at all. These national standards will restrict the autonomy of the provinces in their own jurisdictions.

The government is trying to minimize the significance of these cuts, although they are in fact devastating for the provincial governments, especially for Quebec. The government includes tax point transfers in its figures on cuts in transfer payments to the provinces. The federal government has no control over tax transfers paid to the provinces under its main transfer programs.

• (1035)

In fact, all financial transfers, cash transfers paid to the Government of Quebec, will be reduced by 32 per cent between 1994–95 and 1997–98, as a result of cuts in transfers to the provinces.

A sovereign Quebec would lose federal transfer payments but recover the $30 billion in taxes Quebecers are now paying to the federal government.

The latest budget cuts implemented by Bill C–76 will hit the most vulnerable in our society. The Quebec Minister of Finance estimates that these cuts and transfers to the provinces will reduce the federal contribution to social programs funding from 37.8 per cent to 28.5 per cent between 1994–95 and 1997–98. The federal government is intervening in areas that are under provincial jurisdiction and may make additional cuts in the cash portion of transfers to the provinces.

As the official opposition's representative for seniors organizations, I am very concerned about the old age pension reform announced by the government, which will become effective in 1997. In 1994, they said a document would be tabled very shortly, but the government has delayed production of this document, preferring to wait until after the referendum in Quebec.

In fact the government announced that the most disadvantaged seniors will not lose any protection. This means that the pensions of those defined as having high incomes will be reduced and that the reductions in their pensions will not go to raising the pensions of low income seniors, who have only the

assurance that their pensions will not be cut. So, some will have their benefits reduced and no one will receive an increase.

Another important point has to do with family income determining pension eligibility. This measure is unacceptable, since women have fought for financial independence for decades.

It is not a new measure. The government was preparing similar changes to the unemployment insurance plan as part of the social program reform. Given women's general opposition to the idea, the Liberal majority on the Standing Committee on Human Resources Development did not recommend linking benefit levels to family income levels. This is in the report by the committee on social program reform.

It is noteworthy that old age pensions have already been reduced for seniors with an income over $53,000. The Liberals decided, in the last budget, to reduce the tax credit for seniors with an income over $25,000. The federal government is continuing to go after the incomes of seniors, particularly those in the middle class.

Old age pensions are a major source of revenue for seniors. Federal government documents indicate that old age security and guaranteed income supplements accounted for 28.9 per cent of the income of single men; 41.3 per cent of the income of single women and 25.9 per cent of the income of couples, in 1989.

The government announced a review of the Canada pension plan, the CPP, for the fall. The federal and provincial finance ministers are scheduled to meet as part of the five–year review of the Canada pension plan. They will use this opportunity to claim that a review of old age pensions is mandatory.

• (1040)

The federal government does not have to change the old age pension system unless, that is, it wants to cut the budget at the expense of seniors.

Quebec seniors had the opportunity to state their opinions on their future at hearings of the seniors' commission on the future of Quebec. The chairperson of the committee was a minister in the former Conservative government, Monique Vézina. This consultation has shown that seniors across the country have similar concerns, mostly about their social and economic situation.

Quebec is going through a difficult economic period. Some of the witnesses at the hearings told of the problems they are having with unemployment or poverty because of the constant threat of cuts to social programs and the health care system.

Representatives of the Quebec Federation of Senior Citizens (QFSC) told the commission that their organizations were fighting the four main problems affecting seniors: the feeling of uselessness, inactivity, insecurity and isolation. Almost everywhere people are lobbying for society to guarantee seniors their rightful place. Seniors want nothing more than to use their experience for the good of the society they will leave behind for their grandchildren. It is clear that the universality of old age pensions should not be tampered with.

Lucien Bouchard, the Leader of the Official Opposition, recently shared with Quebecers his party's reaction to the federal government's position on pensioners. He said:

> After hitting pensioners with annual incomes of more than $26,000 with a tax last year, the federal government has continued to go after them. The Minister of Finance has made it very clear that the universality of old age pensions is definitely a thing of the past, since in the future, pension benefits will be based on combined family income, and this will result in the loss of financial independence for thousands of women. By waiting until after the referendum to cut into social security, the federal Liberals are hiding the negative ramifications of their cuts from Quebecers. Be assured, Mr. Speaker, that the Bloc Quebecois will do its utmost to prevent the government from making the needed spending cuts at the expense of seniors, the unemployed and people who are most in need of health care, post–secondary education and social assistance.

The federal government should cut $2.85 billion more from the Department of National Defence's budget for the next three years instead of looking to seniors' programs next autumn to reduce its deficit.

You can be sure, Mr. Speaker, that, as the official opposition critic for seniors' issues, I pledge to fight any proposal the federal government might make to reduce its deficit at the expense of seniors.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, the hon. member for Saint–Hyacinthe—Bagot tabled in this House an amendment that I am happy to support.

Bill C–76 is inconsistent and the Minister of Finance should go back to the drawing board and introduce in this Chamber a bill that truly reflects what Canadians want, which is to see more fairness in the government's handling of its fiscal responsibilities.

The absence, or in some cases, the weakness of certain measures in this bill are of particular concern to me. I would like to speak about two of them. First of all, there is the government's science and technology strategy. In his last report, the auditor general deplored the lack of a government strategy with respect to science and technology. He stressed the importance of such a strategy, in light of the liberalization of trade and the new technological era we would be entering in the 21st century.

• (1045)

The government must demonstrate strong leadership in this area, so that Canada can continue to develop technologically and to maintain its competitiveness on international markets. The standard of living of Canadians and Quebecers depends on it. There must be some sign of this leadership in the government's budget. It is the cornerstone of any strategy to put Canadians back to work. Unfortunately, there is not a trace in this budget of any strategic planning with regard to research, science and

technology. Worse yet, the cuts are in the areas of highest performance.

I will give some examples of cuts in the funds made available to granting councils. The minister told us in his 1994 budget that he would not touch the money set aside for granting councils, because of the importance the federal government attached to research and development activities. But now, in a complete about–face, the Minister of Finance is cutting the councils' funding by more than 10 per cent, despite what he announced in the 1994 budget.

In order to better understand the impact of such a decision, let us look at Canada's situation with respect to science and technology. Canada ranks sixth among the G–7 countries, just above Italy, when the size of its budget is considered as a percentage of the gross domestic product. On the other hand, according to the relevant trade journals, given the quality and use of research and the size of its population, Canada ranks second among the G–7 countries, after the United States.

This situation is primarily due to the fact that granting councils award funds to our universities and industries on the basis of merit. And yet, in his report, the auditor general has pointed out the sorry state of our science and technology strategy for the last thirty years. This is not a recent development. For thirty years now the auditor general has criticized this lack of strategy. He recommends that the government focus mainly on the most successful research activities which, in our case, are those financed by granting councils.

It is important to point out that most of the stakeholders consulted by the government, that is, the experts who testified during the consultations held on this issue, stressed that the budgets of granting councils should be maintained. These highly qualified consultants said that if research budgets had to be cut, the government should at least keep at the same level the funds allocated to the granting councils, given the effectiveness and quality of the research projects they accept, and cut elsewhere in the budget.

The government ignored these consultants' recommendations. Not only did it cut the budgets of granting councils and the research budgets of all government departments and agencies, but it has the nerve to continue giving $1 billion in R&D tax incentives to business, arguing that the consultation process is still under way. This clearly shows, once again, that government is holding consultations just for show and to smooth the way for the blind cuts it intends to implement in its budget.

This is not a consultation process, my dear colleagues across the way. This is a case of manipulating public opinion, which really shows this government's deep contempt for the Canadian population. I also want to talk about the inequities in federal spending. The Bloc Quebecois has always deplored the federal government's flagrant inequity in its R&D spending.

• (1050)

In 1990–91, Ontario received a 53 per cent share of federal spending, while Quebec received only a 19.5 per cent share.

The government figures I received this morning show that, since 1985–86, if we exclude the National Capital Region, Ontario has received about 22 per cent or 23 per cent of all federal science and technology research funds every year, while Quebec receives only 17 per cent. If we include the National Capital Region, we realize that Ontario has received 27.9 per cent, almost 30 per cent, every year since 1985–86, while Quebec receives only 3.1 per cent. That is government equity for you.

If we compare what the federal government spends on natural sciences in Ontario and Quebec, we see that Ontario gets between 24 per cent and 26 per cent of federal spending each and every year, while Quebec's share, if we exclude the National Capital Region, is 19.9 per cent. There is still a 6 per cent difference.

Now, if we look at what has been done in the National Capital Region in terms of natural sciences research, the Ontario side of the NCR gets 26.6 per cent while the Quebec side receives 1 per cent.

It does not take a PhD to figure out that 26 less 1 equals a 25 per cent difference. That is what the government calls budget equity.

Mr. Nunez: It is inequitable.

Mr. Laurin: The quality of Quebec's industrial structure cannot justify the low level of federal investment in research and development. Especially since Quebec runs off with more than 30 per cent of grants awarded on merit, which clearly shows Quebec's competitiveness. When our projects are assessed on their merits, we qualify for 30 per cent of the grants, but when the award is motivated by favouritism, Quebec is always outpointed by Ontario, the other most powerful province.

Some hon. members: Patronage.

Mr. Laurin: Such an imbalance maintains provincial disparity in research and development funding. And the statistics are not mine, but the government's own. This imbalance has a direct impact on the provinces' rate of growth. In other words, this harmful policy has been operating for years. With this policy, some provinces get R and D funding, while others, like Quebec, get UI funds.

And it goes on and on, year after year, and the government keeps doing nothing about it. We have been denouncing this kind of thing for 15 years now.

Certainly cuts could have been made in other areas. Let me set aside my prepared speech to give you statistics I just received this morning.

Where could more cuts have been made? We, Bloc members, often suggested National Defence. In DND estimates, astronomical amounts could have been saved in forecasting errors alone. For example, $2.8 billion are supposed to be cut over the next three years. Our estimation was that $5 billion could be cut, but DND said this was impossible. The fact is that these forecasts were wrong, and here is why.

Take the closure of the base in Portage la Prairie for example. Savings of $411 million were expected, when in actual fact only $170 million was saved. A $241 million shortfall.

With respect to space training, we were told that the cost of basic training was $200,000 per student, when the actual cost is $700,000, or $500,000 more per student. They make this kind of forecasting errors and come and tell us that they will be able to save $2.8 billion. We cannot be sure of that, Mr. Speaker. There will be more unforeseen deficits.

Improving housekeeping in DND and several other departments would be one way of making funds available for research, research being the seed of successful new products that would promote rapid growth.

We will have a chance to pursue this at a later time.

• (1055)

For now, I suggest that these new statistics should give both the department and the government food for thought. The minister should go back to his drawing board, his operation table, his computations and come back with another set of estimates. This way, perhaps we will be able to see more eye to eye with the government in a few months.

[*English*]

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I am glad to have the opportunity to speak to Bill C–76, the budget implementation act.

My Reform colleagues have already addressed the various components of the bill. I would like to broaden the focus and look at the budget as a whole. I want to go through the Liberal government's what I call smoke and mirrors show or budget and show Canadians exactly what was cut in the budget and where it was cut.

Members of the government are misleading the people of Canada in several very important aspects. They are being dishonest in selling the budget. To date they have got away with it. Unfortunately Canadians have not recognized what has happened.

Today I will expose two blatant mistruths I believe are in the Liberal budget and have not been clearly defined to Canadians.

Canadians have been led to believe this was a tough budget which cut spending some $25 billion and that provinces got off easy relative to the cuts the government made in its own backyard.

Reform announced its plan to balance the budget by 1998. We told Canadians in order to do this we would have to reduce spending by some $25 billion, $15 billion of which would come from social program spending.

What was the Liberal reaction to this? The Prime Minister said such a plan would throw Canadians into a deep recession or perhaps a depression. The finance minister called it fiscal savagery and said our plan would gut the nation's social programs. The Minister of Human Resources Development said we would be blow torching the poor.

One week later the Liberals released their budget. On page 65 it says expenditure reductions due specifically to the actions in the budget total $4.1 billion in 1995–96, $9.3 billion in 1996–97 and $11.9 billion in 1997–98. In other words, $25.3 billion would be in spending cuts.

Clearly there is some double talk. When Reform proposes $25 billion in fiscal spending cuts it is fiscal savagery which will hurl the country into depression and throw widows and orphans out on the streets. When the government makes the same proposal it is acting in the best interest of Canadians. It is acting in the best interest of the country. It is being tough but it is being fair. Cutting the deficit is said to increase economic growth in the long run.

The government is not completely hypocritical when it is doing this. It does not actually cut $25.3 billion. It wants the financial markets to believe this, especially Moody's which is still trying to decide whether to downgrade Canada's credit rating.

The truth is these are $25 billion in what I call make believe cuts. They are cuts to money that was never spent and will not be spent. The Liberal budget makes real spending cuts of only $15 billion. This explains why Reform Party's $25 billion in cuts in the taxpayers' budget will eliminate the deficit in three years and why the Liberal budget will leave us with $24 billion of deficit. Clearly the budget was not as tough as the government would have us believe it was.

• (1100)

The second mistruth is that government cuts in its own backyard first and does not offload its deficit problems on to the provinces. Is that true or not? Let us look at it.

It says this on page 65 of the Budget Plan:

> The expenditure cuts fall primarily on federal government operations, rather than transfers to provinces or to households—demonstrating that the government's priority has been to get its own house in order first.

Let us look at that statement. Is this true? Do the provinces get off lightly in comparison to other cuts in the budget? The answer

is no and I would like to explain why. Let us look at how much was really cut from the provincial transfers.

On page 51 of the Budget Plan, it shows total transfers falling from $37 billion in 1994–95 to some $34 billion in 19997–98, for a reduction of approximately 4 per cent. This is less than cuts to other areas of spending, which are reduced by some 7 or 8 per cent.

What is hidden in these numbers is the fact that tax point transfers were included in the calculation of the value of the transfer. This is completely misleading to Canadians and is a misleading statement in the budget.

These tax points were given to provinces in 1977. In that year, the measure affected the budgetary position by creating a one–time reduction in revenues. Since that time, these tax points have not added one cent to the annual deficit. They ceased being a budgetary item.

If one looks at the 1994 budget, one will not see any mention of tax points. Indeed, one will not see them in any other budget since 1977. They were included this year solely to confuse Canadians so that they would not realize the magnitude of the cuts that were being made.

Since we have peeled off this tax point veneer, what lies underneath? What is the real truth? Total cash transfers to provinces, which include payments for equalization, health, post–secondary education and welfare will be reduced from $25 billion in 1994–95 to $20 billion in 1997–98.

This is a reduction of $5 billion or 20 per cent. Compare this to cuts being made in two other major areas of spending. The $38 billion in transfers to persons were virtually untouched being reduced by only $500 million, a minor amount.

The $52 billion in departmental spending, which fell under what is called government's program review, will be reduced by a little less than $10 billion or 18 per cent. Clearly the provinces did not get off easy in the budget. They were the biggest victims of the budgetary cuts. They took the major hit.

What is even more amazing is how much was cut specifically from health, education and welfare, the three programs that have been folded into what is now called Canada health and social transfer. Cash transfers for these three programs will fall from $17 billion this year to $10 billion in 1997–98. There will be a reduction of some $7 billion. This represents a major reduction, a 40 per cent reduction in federal cash transfers for health, education and welfare.

Can members imagine what the Liberal opposition would say about a Reform government if it attempted to slash medicare by 40 per cent? This is what the Liberals have done and nobody has picked up on it. The Liberals will still paint the Reformers as fiscal savages. They should look at the brush themselves.

• (1105)

In closing, let me clarify the purpose of my remarks. My intention is not to say that deep spending cuts were inappropriate. To the contrary, the government's budget did not go far enough. There will still be a $25 billion deficit when this party leaves office. In other words, more remains to be done.

It is my sincere hope that once Canadians get beyond the government's smoke and mirrors, we will be able to begin a very serious dialogue with regard to fiscal policy. I hope over the next two to three years people will look at our taxpayers' budget and at the Liberal's budget and debate the strengths and weaknesses of both.

If that can be accomplished, if we can elevate the national debate, the country will be much better off.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I want to discuss Bill C–76, which seeks to implement the 1995–96 budget, as well as the amendment tabled on March 30 by the hon. member for Saint–Hyacinthe—Bagot, an amendment which I support.

The amendment proposes that the bill be read a second time only in six months. In other words, it asks the Minister of Finance to go back to the drawing board, because this is the worse possible budget for poor and ordinary people. However, it is an excellent budget for rich people, banks and major corporations.

I already had the opportunity to denounce this budget, which is tough for the provinces, particularly Quebec, as well as for workers, immigrants and refugees, public servants and poor people.

This budget provides no measures to stimulate employment or economic growth. Its main objective is to cut everywhere, particularly in social programs, unemployment insurance and international assistance. It only targets the poor. This so–called Liberal government is in fact the most conservative government in Canada's history.

Both the government and the Liberal Party are making a sharp turn to the right. This is incredible. For example, over the next three years, the government will reduce by $307 million the money allocated to the Canada Mortgage and Housing Corporation. Yet, social housing is in great need, both in Quebec and in Canada, and particularly in my riding of Bourassa, in Montréal–Nord, where many welfare recipients live and where there is a shortage of such units for them.

I want to briefly comment on the report which was just released by the National Council of Welfare. According to that document, 20.7 per cent of Quebecers live in poverty. Between 1992 and 1993, the number of people living in poverty increased everywhere in Canada. At the national level, the percentage of those living in poverty went up from 16.1 per cent, in 1992, to

17.4 per cent, in 1993. This is a dramatic increase in just one year.

More importantly, child poverty reached a 14–year high by climbing up to 20.8 per cent. In 1993, there were 1,415,000 poor children in Canada. These children are poor because their parents are poor. And the parents are poor because there are not enough jobs in this country. Generally speaking, women are poorer than men. This is shameful.

• (1110)

[*English*]

Nearly half a million more Canadians became poor in 1993. The number of poor grew to nearly 4.8 million Canadians, from 4.3 million the previous year. Half a million more poor people in Canada. It is a tragic situation.

[*Translation*]

This is shocking. The government should analyse this report carefully and act on it. I ask the government to table a plan to fight poverty in Canada, and I hope more members will express their outrage about this situation: one half million new poor.

Significantly, 50 per cent of these people are working poor. In other words, they are forced to accept unusually low wages. In fact, the minimum wage is a scandal, both federally and provincially.

Although Alberta is one of the richest provinces, it has one of the lowest minimum wages in Canada: $5 an hour. Our colleagues opposite often say we live in Canada, the best country in the world. I think that with these figures, Canada is hardly the wonderful country they say it is.

I said that this government and the Liberal Party are leaning increasingly to the right. A few days ago, we saw the passage of back–to–work legislation in the form of Bill C–77, introduced by the new Minister of Labour, legislation that is a direct attack on the unions and denies them the right to strike, just because the government wants to privatize CN and get even more money for the Treasury.

With this legislation, the government is trying to break the unions and federal employees as well, who are very disturbed about the loss of 45,000 jobs. The government is attacking social programs and the unemployed, instead of attacking unemployment.

On the other hand, the government refuses to pass anti–scab legislation as requested by the unions. Especially in Quebec, where Ogilvie, for instance, whose employees have been on strike for months and months, continues to operate because it hires scabs. Once again, I want to ask the government to introduce anti–scab legislation.

At the Department of Citizenship and Immigration, and I happen to be the official opposition critic on this matter, in 1995–96, according to the budget, spending will total $592.7 million and the department will have the equivalent of 4,645 full–time employees, including 260 in Canadian missions abroad.

It is outrageous, and I mentioned this before in the House, that more than 50 per cent of the department's budget will be self–financing, in other words, about $300 million will come from user fees, especially the new tax on immigration. I think the minister is trying to run his department like a private company. Today it is self–financing, and later he will probably want to make a profit as well.

There have been cuts at the IRB, cuts totalling around $500.7 million. From now on, cases will be heard by only one commissioner, not two. The number of commissioners will be reduced from 175 to 112.

• (1115)

I would like to use the two minutes I have left to say a few words about international aid.

I condemn most vigorously the cuts made in international assistance. This country, which used to have a genuine concern for the problems and well–being of poor countries is no longer the Canada I knew a number of years ago. There have been horrendous cuts in Montreal alone, and in the rest of Quebec and Canada. More than 80 organizations dedicated to promoting public awareness of international assistance will see their funding cut by 100 per cent and will disappear. Cuts totalling $1.3 billion in three years—that is a lot of money. The UN has asked all industrialized countries to spend 0.7 per cent of GDP on international assistance. Canada will be left with a rate of 0.3 per cent.

Finally, I would urge the government not to reduce the programs for older worker adjustment. The unions are very concerned, and the provinces as well. These agreements must be renewed, and I hope the government will try to do something for these workers.

[*English*]

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, it is a pleasure to speak in the House on behalf of my constituents about the federal budget.

My constituents tell me time and time again that they are sick and tired of paying for federal government programs that they do not want, they did not ask for and they certainly do not want to pay for. My constituents stop me and ask about Canada's official languages policy. Why do we have this program? Why do we have to pay for it? Today I will confine my budget remarks to bring forward the concerns of my constituents about official languages.

I will start by asking the government on behalf of the people of Yellowhead: Why do we have a Department of Canadian Heritage? Of all the departments in government, the Department of Canadian Heritage is one of the most controversial and

disruptive to the people of Canada. It is in this department that we find huge public funding for highly contentious areas, including the CBC, multiculturalism and of course, official bilingualism. I will be direct. The people of Yellowhead have no use for the Department of Canadian Heritage and its destructive, divisive programs.

They do not know what possible good can result from the funding of the bilingual bonus which cost them and their fellow taxpayers $50 million last year. They do not know what good can result from funding the language police, the Commissioner of Official languages, $11.1 million. They do not know what good can come from funding the Edmonton region of the Alberta Francophone Association to the tune of $103,000 annually plus a grant of $12 million to be spent in a riding containing 945 francophones.

The people of Yellowhead are not sure why they are helping to pay for official languages support, which is projected to cost $253 million this year, a cool quarter of a billion dollars.

It is not my intention to fan the flames of resentment, only to question a policy which has done much to tear the social and linguistic fabric of our nation.

Official bilingualism in Canada is not about promoting the equality of the French and English languages. It is about the promotion of minority language rights to the majority of the population. In fact the Official Languages Act, which entrenched the notion of coast to coast bilingualism in 1969, has been abused by federal governments which operated behind the smoke–screen of keeping Canada together.

The OLA was about appeasement right from the beginning. There are questions as to how this forced language program was to be funded, to be paid for. English Canada protested this imposition and of course it is paying for it.

● (1120)

Pierre Trudeau knew the mathematics involved. He needed to retain power. He needed to retain his stranglehold on Quebec. After all, he had no support from the west. Therefore, the OLA was imposed on all of Canada. Ever since, the Official Languages Act has been used to put out anti–nationalistic fires in Quebec but to no avail. The effects of this firefighting have been severe.

I draw attention to how the Official Languages Act was used in 1976, at a time when great dissension in the province of Quebec was reaching its apex, to put out a fire that threatened national unity. On the eve of the Quebec election, 30,000 federal employees in Quebec threatened to refuse to serve people in English unless they received their bonuses for being bilingual, just like the bonuses bilingual secretaries, stenographers and typists received.

To pacify the civil servants and keep the separatist Parti Quebecois from claiming unfair treatment of francophones, Trudeau caved in and passed the order to pay the bilingual bonus. To top things off and to add insult to injury, the PQ won the election.

Ever since, the bilingual bonus has stuck and has even been extended to bilingual RCMP officers under this Liberal government. I have little doubt this decision was made to cool disparaging attacks from the Bloc.

This policy is discriminatory against unilingual anglophones and francophones. It has created division instead of unity. It is the opposite of what the OLA intended for Canada. The disruption of the merit system has a negative impact on morale.

That was not the only time the master social engineer used the contentious issue of Canada's official languages as an instrument of appeasement at the expense of the majority of Canadians. Trudeau implemented affirmative action in the hiring of public servants.

I draw my colleagues' attention to the Royal Commission on Bilingualism and Biculturalism. It recommended dividing the public service into French language units in which all work would be performed in French, and English language units in which all work would be performed in English. Under this system almost all jobs would be open to unilingual speakers.

It is true that at first there might be a swell of unilingual English jobs, but as anglophone employees retired and francophones joined the public service French language units would expand to eventually include a proportion of jobs equivalent to the French speaking share of the Canadian population. In essence, there would be equitable representation without resorting to affirmative action and without claims of discrimination against either anglophones or francophones. I think all members would agree that such a scenario seems reasonable and fair.

Trudeau, because of political considerations, did not adopt this fair solution. He apparently felt the French language unit would take too long to implement while the separatist threat was an immediate problem. As Trudeau said: "We cannot tell Quebec: Cool it, fellows, in 40 years we will be able to talk to you. We might save some money but we would not save the country". Well we sure have saved the country.

Today it is the unity of the country which is threatened, something that should not be happening if the sacred cow known as official bilingualism had worked, but of course it could not work. This policy has cost billions of dollars to enforce since its inception. We see what Canadian taxpayers are getting in return: among other things, a separatist party as the Official Opposition in the House of Commons.

If policies of the past do not work, perhaps it is time that we stopped them and developed a new framework with which we can all work toward a unified Canada. Canadians resent official bilingualism as it stands now.

I will close by relating an instance which occurred last October. The Commissioner of Official Languages, the language police, visited Jasper National Park to award park officials for their outstanding promotion of French language in the park. A closer examination of the demographics shows just how wasteful the commissioner's junket was. It is illogical to have bilingual services available in Jasper National Park or any other place where there is not sufficient demand.

• (1125)

Last year over 2.4 million people visited the park. The visitors to the campgrounds came from the following regions: Alberta, 35 per cent; British Columbia, 15 per cent; California, Ontario, Washington, Saskatchewan and Manitoba. The origin of people visiting by country was: Canada, 60 per cent; United States, 20 per cent; Germany, 5 per cent; and then England and Switzerland.

Curiously enough, signs in the campgrounds are in French and English and most of the campground staff are required to be bilingual in both official languages. If anything, services should be offered in English and German according to the statistics. Of course that would be ludicrous because the majority of Germans visiting Canada speak English.

Common sense must dictate all government policies. It is time to end tired, old divisive and expensive policies which not only add to our debt but which create problems instead of solving them. The time to end those is now.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, with your permission, I will ignore the preceding incendiary remarks of my colleague. It is certainly not out of pleasure, but rather out of a sense of duty as an MP, that I rise today to debate Bill C–76, which concerns certain provisions of the budget tabled on February 27 and which implements some of the announced changes in transfers to the provinces.

In fact, this bill is nothing more than the bitter fruit of certain decisions in the latest federal budget. Bill C–76 clearly illustrates the federal government's conspiracy against the provinces. With this bill, the federal government intends literally to offload $7 billion of its debt onto the provinces. To this end, it has already made a mockery of one of its three main programs of transfers to the provinces—the equalization program. Under this program, the provinces will receive $8.87 billion this fiscal year.

The aim of the program is to redistribute wealth within Canada by transferring some of the income of the wealthier provinces to the poorer ones. Since 1982, however, the federal government has imposed a maximum on transfer payments to provinces under the equalization program, tying total payments to growth in Canada's nominal GNP. This capping was renewed in January 1994 for five years under Bill C–3. With this measure, the federal government, be it Liberal or Conservative, has deprived and continues to deprive the provinces of revenues they would normally be entitled to.

As Quebec is one of the provinces, along with the Atlantic provinces, Manitoba and Saskatchewan, receiving federal money through the equalization program, its public finances will suffer enormously as the result of this measure. In fact, Quebec's public finances are already suffering because of this measure. The situation is more difficult for Quebec, because, of all the provinces benefiting from this program, it benefits the least per capita.

By tying maximum total payments to growth in the nominal GNP, the federal government is changing the very nature of the equalization payments, which serve primarily to redistribute wealth among the provinces. There is more. Bill C–76, as announced in the last budget, also provides for the replacement, in 1996–97, of the two other provincial transfer programs—the Canada assistance plan, known as the CAP, and established programs financing—by a new program, the Canada social transfer.

So far, we might consider this combining of two programs into a single one, thus streamlining operations, simplifying structures and so on, to be good news. However, that is the end of the good news. Because, instead of maintaining or increasing the level of transfer payments to the provinces, Ottawa is preparing to cut $2.5 billion in 1996–97 from the budget usually reserved for these payments.

• (1130)

The 1997–98 fiscal year will be even worse, because the federal government plans to cut transfers to the provinces by another $4.5 billion. This is yet another face of the flexible federalism the government is always trying to sell us in this House.

The problem is that the only thing that the government has successfully decentralized is its deficit. Obviously, Quebec will not be spared in the federal government's deficit decentralization operation. In the 1996–97 fiscal year, Quebec's transfer payment will be cut by $650 million, thanks to clause 48 of Bill C–76.

For the 1997–98 fiscal year, we are still unsure of how the federal government intends to determine by how much it will cut transfer payments to the provinces. If it decides to continue using the same formula, Quebec's transfer payment will be cut by $1.2 billion.

Because of the pressure that the richest provinces, like Ontario, are exerting, it looks like the federal government may use a new formula based on the proportion of Canada's population living in each of the provinces.

If the federal government decides to use this formula, Quebec will lose $1.9 billion instead of $1.2 billion, an additional shortfall of $700 million. Unfortunately, chances are that it will use the new formula, because the federal government is not in the habit of calling into question an established formula if it does not intend to change it and especially because of the pressure it is currently getting from the provinces that are better off.

Therefore, all told, Bill C–76 will probably cost the Government of Quebec at least $1.85 billion and at the most, $2.55 billion. As I said before, is this not a fine example of flexible federalism, cost–effective federalism?

After reading the provisions of Bill C–76, one can only wonder how competent and responsible the members of the government really are: they are shirking their responsibility to manage the public purse wisely. In fact, can anyone in the House think of anything easier or more convenient than passing the buck to the provinces, as the Liberal government is currently doing, especially to Quebec?

This sad chapter in the life of the federal government's economic and budgetary policy, if indeed it does have one, shows undeniably just how much of a mess the country's finances are in. Therefore, not only has the federal government either put off until later or offloaded onto the provinces the main deficit reducing measures it announced in the last budget, it also is doing nothing about the thorny issue of Canada's debt.

We must realize that every deficit incurred by the federal government simply adds to Canada's humongous debt. The deficit forecast for 1995–96 is $32.7 billion. Even if the government brought its deficit down to zero this year, at the cost of difficult and harrowing sacrifices, the Canadian debt would continue to grown just the same, inexorably, on account of the applicable interest charges.

Because the federal debt is growing almost exponentially, the portion of the budget going to interest payments alone continues to grow, automatically. This year, the government is facing a substantial increase in the interests to be paid on the debt, with interest charges rising from $42 to $50 billion. This means that, if the government were to simply freeze its spending at the current level, its deficit would increase substantially anyway, also adding to the debt.

A government bent on reducing its deficit would therefore have to cut mercilessly in both spending and programs, if only to offset the rise in the deficit attributable to interest charges. In other words, the debt problem would not remain unresolved in spite of the government's efforts.

As we were able to see earlier, the federal government did not have the courage to tackle its own deficit, simply shifting the problem on to the provinces by gradually cutting transfers. To offset this loss of revenue, the provinces will have to cut services, rise taxes or pass the buck themselves to the municipalities.

• (1135)

But finally, it is always the same people footing the bill: the taxpayers.

It was suggested that the Government of Quebec should put its own fiscal house in order before inviting the people of Quebec to give a decision on sovereignty. But one must realize that it will become increasingly difficult for the Quebec government to make ends meet as tax transfers to the provinces shrink. Let us also keep in mind that, at the time of the first referendum on sovereignty, in 1980, the federal debt was $90 billion. It has now grown to nearly $550 billion and should have passed the $800 billion mark by the year 2000.

In 1980, the federalists doomed Quebecers to Gehenna of hell if they dared venture onto the road to sovereignty–association. If Quebec were to become sovereign, these doomwatchers predicted the dollar would be worth 70 cents, interest rates would skyrocket and the debt would reach several hundred billion. But we got all of that while we were within the Canadian federal system. To top it off, the Canadian Constitution was patriated without Quebec's consent, and we have the current Prime Minister of Canada to thank for that.

To conclude, Quebec will not be spared in the federal government's scheme to shovel the Canadian deficit in the provinces' backyards or the other sneaky measures contained in the budget. Today and in the months to come, the people of Quebec will bear the brunt of this budget, at least until they decide to pull out from this unfair and inefficient system, which is moving ever closer to financial disaster, until they decide to assume responsibility for their own future by going the way of sovereignty.

[*English*]

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, "there are times in the progress of a people when fundamental changes must be faced, fundamental choices made and a new course charted". With these words the finance minister tabled what has been called the most important budget in Canadian history. He says it is a budget with one objective, to break the back of the deficit and bring our finances under control.

Canadians will have to judge by the minister's own criteria. They will have to judge whether the fundamental challenge of a deficit elimination been faced. Have fundamental choices been made to meet that challenge? Has the new course really been charted toward federal fiscal responsibility? These are questions I will deal with.

First is the question of whether the deficit elimination challenge has been faced. In the dying days of the Trudeau government a budget was tabled with a then unheard of deficit of over $38 billion.

Michael Wilson six years ago said: "We have a serious problem, our large and growing public debt". The Tories had nine years to balance the books but failed to do so at each and every attempt. The closest they came to a balanced budget was $19 billion.

Now the Liberals are back. The finance minister, as his predecessors before him, says the time has come to deal with this deficit crisis. When one looks at his three–year plan, the final goal is not deficit elimination, it is only modest reduction. If the challenge is a balanced budget, and it must be, given today's economic climate, this challenge has not been met.

Second is the question of whether fundamental choices have been made to meet the deficit challenge. There were clear decisions to be made: the status quo or new direction, continued deficit or no deficit, tax hikes or spending cuts.

The bottom line said it all. Program spending has decreased a mere $5.1 billion out of a total of $163.5 billion. That works out to only 4 per cent of program spending or a mere 3 per cent of total spending. These so–called cuts are a drop in the bucket compared with what must be done to bring our finances under control.

At the same time, there are new business taxes, gasoline taxes and new user fees. Clearly the government has not taken decisive action and has not made the fundamental choices Canadians have been demanding.

• (1140)

Third, regarding the question of whether a new course in government spending has been charted in the budget, clearly for the past 20 years federal governments have followed a course leading from one deficit to the next at an accumulative cost of over $548 billion.

Since the government came to power it has followed that exact pattern, predicting deficits past 1997. No new course has been plotted. It is still business as usual with deficits, deficits, deficits.

Several months ago I asked Cariboo—Chilcotin constituents in a householder survey for their thoughts on cutting the deficit. I placed before them the list of cuts the Reform Party presented to the finance committee and asked whether they agreed with this list.

There was overwhelming support for ending regional development programs, privatizing the CBC, stopping the funding for crown corporations, ending multiculturalism and bilingualism funding, immediately stopping support for special interest groups and downsizing the ministries of agriculture, industry, natural resources, and fisheries and oceans. These are the recommendations of my constituents.

Is the budget fair? The finance minister has been quick to stress the budget spreads the burden. No one escaped the pain, he stressed, and the burden has been borne equally.

Is it fair to Canadians? Is it fair to our families? Is it fair to our children? Is it fair to our grandchildren and great grandchildren and future generations to come? The answer on all counts is firmly no, it is not. It is not fair to thousands of civil servants who could lose their jobs based on their race or sex.

According to the minister of intergovernmental affairs cuts will focus on white males in the civil service despite the fact this violates the Charter of Rights and Freedoms. Families will be strained, careers destroyed and the principles of merit ignored, all for the sake of pacifying radical special interest groups.

It is not fair to the grassroots which will continue to be shouted down on the national scene. Funding for special interests, the political fringes of our society, lives on. The radical agendas will continue to be pushed to centre stage while views and opinions of ordinary Canadians will once again be pushed out the exit doors.

It is not fair to young Canadians, our future workers, our future leaders. For the first time in Canadian history young Canadians are facing a future that will bring them less prosperity than their parents or grandparents. It is these young people and not their parents or grandparents who will eventually have to begin paying off a debt that now totals $548 billion.

The finance minister has put off any major cuts for some time in the distant future. It is our children who will have to deal with his indecisiveness with even higher taxes and fewer social programs.

I have often said I did not enter politics for myself but for my children and for their peers across the country. When I graduated from school the opportunities were virtually limitless. When I wanted a job, I picked my field. When I wanted more schooling, admission was both easy and affordable.

I could count on having a good salary to meet my needs and the needs of my wife and family. All that has changed. Young people no longer have their pick of jobs. They have to take what they can get, often piecing together two or three part time jobs to make ends meet.

Tuitions are rapidly rising, enrolment falling and opportunities becoming fewer and farther apart. There are many reasons for these changes such as high payroll taxes, decreasing funding and economic restructuring but it all comes down to one thing, the debt.

As our debt increases over the next three years, our economy will be even more strained to pay ever more interest on our growing debt, meaning our young people will have even fewer opportunities in the years to come. For their sake we have to tackle the deficit now.

The budget has failed on all counts.

• (1145)

The challenge of deficit elimination has not been faced. The fundamental choices Canadians demanded have not been made. A new course towards fiscal responsibility has not been charted, and this budget has not been fair, as the minister claimed.

Canadians are not looking for another Michael Wilson or Don Mazankowski, both of whom drifted from deficit to deficit. They are looking for decisive action to bring our nation's finances back into balance. I hope this finance minister will show more decisiveness next year than he has this year. The window for opportunity is quickly closing.

I am very pleased that the Reform Party has presented an alternative budget, which the Liberal Party has been invited to review, to copy and to use.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, in the months before this budget was brought down, the Minister of Finance appeared before the finance committee and made a number of statements, some of which were reported on television. One of them was the following, and I quote: "The total debt of Canada's public sector has now reached 100 per cent of the gross domestic product. The interest alone on this debt exceeded $56 billion last year, close to $39 billion of which were paid by the federal government. This amount may well top $44 billion this year. We have reached the point where the interest on the debt is growing faster than the economy. We are in debt over our heads and this cannot go on. The situation is untenable from the point of view of the laws of the financial market and equally untenable under the laws of compound interest".

To conclude in the words of the minister: "It is as if our country were trying to go up the down escalator". We have all seen young boys trying to do this in the subway. They manage quite nicely, but for the average person, it is not easy. I again quote the minister: "The problem is so monumental that we can no longer rely on economic growth for a solution. Why not? Because the deficit itself is dragging down growth. As long as it goes unchecked, too many investments will be stalled at the planning stage, interest rates will remain high, the rate of employment will go down, and future generations will pay the price".

Canada's debt has become so large that the Canadian government is now in the position of having to borrow billions of dollars annually to pay the interest on it. It is no different than the average person who owes the bank money and who, every year, has to go deeper into debt just to pay the interest charges. Clearly, it is a vicious circle.

Canada's debt, which was $90 billion in 1980, will be $548 billion as at March 31, 1995, and it will keep climbing. In 15 years there has been a 509 per cent increase. We know perfectly well that no ordinary citizen would be able to handle an increase in debt of this magnitude, just as we know that there is no company that could either, without soon falling into bankruptcy, and we are equally well aware that countries are no different. In January 1995, the *Wall Street Journal*, one of the most prestigious newspapers in New York, mentioned that Canada had now gained third-world-country status in terms of its debt, and even indicated that there was a real possibility that it might go bankrupt.

The minister gave us an idea of what that meant, in a document entitled *Creating a Healthy Fiscal Climate*, which he released in October 1994. In his presentation, the minister said that a powerful thrust of the debt is firmly anchored in the Canadian economy and is hard to correct. As deficits keep accumulating, interest costs also increase, thus perpetuating the vicious circle. The deficits which result from the interest charges on the current debt contribute to increasing that debt, which continues to grow. For several years now, the Canadian economy has not been strong enough to make revenues grow quickly enough to compensate for the rapid increase in interest charges and, as the minister said, it is not expected that this trend will change in the predictable future.

Following this analysis, the minister tabled a budget which seeks to bring the deficit back to 3 per cent of the gross domestic product, by 1996-97, which means that the deficit would go down from 39.7 to 25 billion dollars. In order to reach that target, the minister intends to make cuts of about $13.4 billion, over the next two years.

• (1150)

What does a budget such as this one tell us? First, it tells ordinary Canadians that the national debt increased, but in an abstract manner.

Indeed, for ordinary citizens, a debt of 200, 300 or 500 billion dollars is something abstract if they do not feel it in their pocket book. However, the major change with this budget is that things will now become very concrete. Canadians will start paying off that debt. Massive cuts are anticipated, including in the UI, welfare and health care programs, and students will have to get into debt to go to school.

This morning the hon. member sitting next to me even mentioned that old age pensions are now in jeopardy, this just after the government announced—and this is no laughing matter—a substantial increase of $0.78 per month, which is not even enough to buy a coffee.

The second conclusion to be drawn from this budget is that, regardless of what we do, as the minister himself told us, the debt will continue to rise. Consequently, the budget cuts which

will affect social services in a few months can only increase in the years to come.

The third conclusion essentially applies to Quebec. For the first time in history, Quebecers will realize just how much it costs to be part of Canada. This will be costly and painful.

As you will recall, the Prime Minister's advisor himself recently went to Toronto to tell the Canadian intelligentsia that, the more Quebec would suffer, the more Quebecers would be tempted to stay in the Canadian Confederation. I will not comment on the morality of this statement. I think that it denotes stupidity more than anything else and that it will have exactly the opposite effect.

Of course, the argument is still the same: it is Quebec's fault. If things are going badly in Canada, it is Quebec's fault. The Prime Minister himself, who did not denounce his special adviser's remarks, thereby agreeing that Quebec should be made to suffer, was quoted in the newspapers yesterday or the day before as saying that if Quebecers rejected sovereignty, interest rates would drop by a few points. He was immediately challenged by the real economists in Canada, who found his comments extremely naive.

I wish to remind the Prime Minister of two little events that clearly show that there is no relation whatsoever between the disastrous state of Canadian public finance and Quebec's political role. At a time of great political stability, in the years that followed the rejection of Quebec sovereignty in 1980, Canada experienced the highest interest rates ever, which rose well beyond 20 per cent. Yet, Quebecers had just said Yes to Canada.

Hon. members will also remember 1986. Who was in power at that time? The Quebec Premier was Mr. Bourassa and the Canadian Prime Minister was Mr. Mulroney. This was, of course, a few years before the Meech Lake and Charlottetown failures. The Parti Quebecois was keeping very quiet in its little corner. Some people were even saying that the PQ was dead. The Bloc Quebecois did not exist. The dollar fell to 69 cents US. And it will probably return to that level very soon. I remind hon. members that there was then no link between the very quiet political situation in Quebec and the economic problems.

Of course, they have always said that it was Quebec's fault and they will continue to do so. They are repeating the same arguments they used in 1980. We remember very clearly what Mr. Trudeau told us: "We are putting our seats on the line in Canada. We are putting our seats on the line at the political level so that changes can be made". There was the patriation in 1982, which was never accepted by Quebecers, followed by the Meech Lake and Charlottetown failures.

They also tried to scare Quebecers—now they want to hurt us, but back then they wanted to scare us—by telling them that if they chose sovereignty, they would be up to their necks in debt, unemployment and taxes. We said Yes to Canada at that time and since then the debt has risen from $90 billion to $548 billion, the unemployment rate has gone from 7.5 per cent to almost 10 per cent, the number of welfare recipients has nearly doubled, and taxes have never been so high. And that is only the beginning.

• (1155)

In the end, by staying in the Canadian Confederation, we have experienced all the problems we were afraid would occur if we became a country. And things will get worse. Let me remind the House that the *Wall Street Journal* said that Canada was heading toward bankruptcy.

We recently held regional commissions on sovereignty, which attracted a large number of participants throughout Quebec. Quebecers submitted numerous briefs saying that they had two options: staying in the Canadian Confederation or making Quebec a country. They mostly said that they wanted more information.

In closing, I think that we should give Quebecers much more information on sovereignty issues, let the Canadian budget produce its effect and reveal exactly how much it costs to be part of Canada. I sincerely believe that when the right time comes, Quebecers will end up choosing the only possible option: making Quebec a country.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, I would like to take a few moments to talk about the impact of the budget on my riding of Haldimand—Norfolk, and I would also like to talk a bit about agriculture.

We have heard over the last few days statements made by members of Her Majesty's loyal opposition and members of the Reform Party in terms of fairness in the budget. They are trying to suggest that in agriculture the cuts seem to be either in Quebec or in western Canada and that they are not spread fairly across the country.

When the Minister of Finance set out his budget proposals, and when the debates, negotiations and discussions with various groups were occurring beforehand, within this caucus and in talking to constituents in my riding, understanding the significance of the debt and the deficit and the problems we have there, what has been emphasized is the fact that there needs to be fairness. People across the country are prepared to do whatever is necessary to deal with the government's finances, as long as it is shown that what the government does, it does fairly across the country.

Let us take a look at agriculture. There were three significant areas that were cut in agriculture. The dairy subsidy was reduced by 30 per cent over a two–year period, the WGTA was cut, but,

significantly, there was the centralization of research and development projects.

In terms of the dairy subsidy, obviously, given what is happening with the GATT and given the changes within supply management that are required, all dairy farmers realize that there will be changes and that within the next 20 years they will have to develop ways to compete internationally and not only within the Canadian market. This dairy subsidy reduction of 30 per cent is going to be a hit on dairy farmers. Certainly, dairy farmers will have to do their share in bringing down the deficit.

When I talk to the farmers in my riding, and in fact across Canada, most of them are willing to make that sacrifice to help reduce the debt and the deficit. However, they want to make sure that the sacrifice is also being made by other Canadians.

They speak particularly about social policy reform. They want to ensure that our social policy programs are doing what they need to be doing, that they are doing it efficiently, and that they are not just leaving a whole class of people relying on government handouts. They also talk in terms of trying to cut back on some of the spending we do in that area. I think if they see a firm commitment from the minister and the government, they will be more than willing to take a cut in what they are receiving.

• (1200)

We have seen somewhat of a hiatus there. The minister has indicated we will probably come back sometime in the fall when some of the necessary changes will be made.

I had a very big meeting in my riding with a number of concerned people on the whole question of social policy reform. I received a lot of good ideas. I am sure many members on all sides of the House also held these forums. I know my colleague across the way always likes to hold these open public forums. They are a good thing for members of Parliament to do because they give us an opportunity to hear from our constituents on very important subjects with a wide range of diverse ideas.

A lot of dairy farmers who were in attendance were telling me they understood what the government did. They were not particularly happy that it came out of their pockets but they were prepared to take it as long as they saw the government making firm commitments in other areas.

The Reform Party throughout our earlier discussions on the WGTA gave us an indication it wanted us to scrap it. We wanted to make sure, given some of our GATT commitments, there was adjustment available for those farmers and that the system would still work.

I have a number of concerns in that area as chair of the standing committee on agriculture. We got together with all parties. We decided there should be a subcommittee on transportation to look at these issues. Farmers in western Canada and people who rely on the St. Lawrence seaway have a number of concerns. Hopefully the members of Parliament on the subcommittee, chaired by the hon. member for Malpeque, will be able to do something in that area to make sure the concerns of these farmers are taken into consideration and that the minister of agriculture and the Prime Minister hear first hand some of these concerns.

The $1.6 billion payment, essentially a payment over a two or three–year period, is an adjustment period. The farmers I have been talking to are not very happy it is coming out of their area but they are prepared, as are farmers in other parts of the country and all Canadians, to do their share in terms of bringing down the debt and deficit.

That theme was pretty much what I heard in my riding of Haldimand—Norfolk after I went back after the budget and talked to my constituents. Normally after a budget, even as an opposition member, one should receive about 20 or 30 calls. After this budget I received three calls from constituents. I felt this was an acceptance of the fairness of the budget.

After the budget, as I went around to the different events in my riding I began to learn people accepted the budget, grudgingly granted, but they understood the need to deal with the debt and deficit and the need for cuts. They were prepared to go along with it as long as they felt there was to be more and there was a commitment of fiscal responsibility by the government.

I have talked to the Minister of Finance in caucus and know the commitment is there. We have to deal with the fact that 43 per cent or 44 per cent of our debt is controlled outside of the country and our current account deficit is a problem.

The Minister of Finance indicated he will take the tough steps necessary to deal with that problem. It is a problem for all Canadians. It is a problem for my children and children all across the country. It is something they do not look forward to. We will deal with that problem. We will deal with the question of fairness not only in future budgetary expenditures in terms of the country but also in agriculture as we move along with the co–operation of the opposition and the third party to help Canadian farmers in the future deal with the uncertainties of the new reality in world economic trade.

• (1205)

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, as we are all aware, on February 27 the finance minister brought down his second budget. That document showed how spending is to be reduced by $4 billion, taxes are up by $1.5 billion and the annual projected deficit will be only $32.7 billion; that is, $32 billion deeper in debt.

The document did not show how the government will spend $50 billion to service the debt this year and how our overall debt will climb by more than $100 billion over the term of the Liberal government. Think of it. We are spending $50 billion to service

the debt. How much could we buy in the way of social services or anything else for $50 billion in a year?

The surprisingly mild public reaction toward the budget seems to indicate Canadians do not fully understand the full extent of our financial situation. Do they realize we are $550 billion in debt and by the time the government ends its mandate we will be $650 billion in debt? I do not think it has quite struck home yet.

It is therefore our job as a responsible opposition to tell Canadians all is not well. We must do much more to tackle our crippling debt and deficit situation. The fact our hon. colleague across the way from Haldimand—Norfolk only received two phone calls on this well illustrates this fact. The public is not aware of the severity of the problem.

What can be done? According to the government it is moving as fast as it possibly can to solve the problem. However, if we look closely at this baby step budget we find that is not the case. More can be done.

Look at my area of responsibility, official languages. I can very easily demonstrate how we can save money without sacrificing service to the public. We will look at my little area but this could be multiplied one dozen or two dozen times by other areas, thus illustrating we can find the money.

To be fair to the government, it has moved quietly even in the area of official languages to trim some of the excess spending, but not enough. The estimates show how approximately $50 million has been taken from official languages spending in the Department of Canadian Heritage. Likewise, there is a small reduction in the budget for the commissioner of official languages.

Again, these are only baby steps in the right direction. There are many more areas that can be reduced or eliminated. Funding of special interest groups is a classic example. We are looking at one little area of detail within overall official languages. This year Canadian heritage alone will spend $28.5 million. Where does this money go? About $1 million will go again this year to Alliance Quebec, a so–called English language rights group in Quebec. I say so–called because it is difficult to truly believe this group is doing any meaningful work to preserve English rights in Quebec.

• (1210)

Earlier this week I stood in the House and asked the government why it would give Alliance Quebec $1.2 million when it has been learned $837,000 of that is being spent on wages, while another $95,000 goes to pay for luxury offices in downtown Montreal. At the same time its membership has sunk to an all time low of about 2,500. This figure was disputed on radio this week by Mr. Hamelin, head of Alliance Quebec, who said its numbers have risen to 3,700. Even if they have, this is down from a membership strength of 15,000 or 20,000 some years ago. What is going on?

The government response to my question on the donation to Alliance Quebec was: "It is important the Canadian government supports minority language groups outside and inside Quebec. That is what we are doing. That is what we will continue to do".

If we examine that answer we will quickly discover it does not make any sense. How can anyone claim that lining the pockets of a few well heeled Liberal friends in the Montreal area does anything to support the anglophone community within Quebec? This group spends 75 per cent of its taxpayer supported budget on wages and rent. What can it actually be doing to support the community it purports to represent?

Worse yet, when my office requested this type of financial information from Alliance Quebec and other similar language groups throughout Canada, we were told that information was not public knowledge and therefore was not available to us. We were told to contact Treasury Board if we wanted information. Treasury Board then told us it could only provide the overall grant information which is readily available in public accounts and therefore of little value. For detailed information we were told to contact Canadian heritage. It in turn told us in most cases it did not not have the information and what it had was not available to us.

I have been fighting this situation for a year and a half in the House trying to get some facts on spending of the government and all I get is sandbagging. This is taxpayers money supposedly being spent for the benefit of all Canadians. The people who provide the funds are not allowed to know how they are spent.

It is only through the persistence of a reporter at *La Presse* that the information on Alliance Quebec was brought to the attention of the public. It takes a reporter to get it out. This is unacceptable.

It is also interesting to note that official languages may well be the only federal program to have totally escaped the scrutiny of the Auditor General. This program has been in place for a quarter of a century and has never been fully audited. What is going on here? Where is this money being spent? What can we eliminate?

Part V of the 1993–94 public accounts which detail funds for professional special services shows almost $9 million spent in the name of official languages. For example, Privy Council, $900,000; communications, $4 million; transport, $340,000; energy, mines and resources, $500,000; external affairs, $255,000; national defence, $1.6 million, to name a few. How these moneys were spent and for what purpose is a mystery.

Similarly, part VIII of the 1993–94 public accounts shows $273 million for official languages transfer payments; over $270 million of that by communications and $2.5 million by employment and immigration. Again, for what purpose? Only

the people who receive the money know for sure and they are not willing to say.

Surely it makes sense to do a comprehensive audit to find out if all these moneys are being spent wisely. The government lacks the will to do so. It is a sacred cow and it will hang on to it.

If we look closely at the budget we find it simply does not do the job. We cannot afford to stroll toward a zero deficit target. The time for serious action is running out. It may be this year.

• (1215)

In conclusion, I urge the government to take a serious look at spending just in my little area alone on official languages in an effort to get on with the job of deficit elimination, which Canadians will support.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I am pleased to be able to participate in the debate on the budget. I am certain 10 minutes will not be enough to cover all the ground I would like to cover. I will outline in point form some of the major concerns I have with it.

I have concerns about the fairness of the budget. I would like to debate at greater length the question of fairness with the member for Haldimand—Norfolk but I will not have the time to do that.

One of the reasons the budget has been received as well as it has is the fact that the government has given the impression there have been no tax increases. In many respects there were not the kind of tax increases that had been flagged prior to the budget. The trick, which is as old as the hills, is to get people worried about a bunch of measures and then when the measures are not included in the budget, people are relieved.

The fact is that Canadians will have to fork over more out of their own pockets in a variety of ways. It may not come through taxes but it will certainly come from having to spend more money on services that were previously provided by the government, whether it is in the form of user fees for national parks, decreased health care availability or whatever the case may be. We ought not to be under any illusion that Canadians got a free lunch out of the budget. Hardly.

I am concerned about a number of things in the budget. First and foremost in my mind and in the minds of my constituents is the privatization of the Canadian National Railway. This is something, given the location of the main repair shops of CNR in Transcona, in the riding of Winnipeg Transcona, that is of obvious concern.

It is a measure of how far to the ideological right this Parliament and the Liberal Party in particular have swung. We see the Liberal Party bringing in a measure to privatize the CNR which is something that previously would not only have been thought out of character for them but which goes against the promises many Liberal MPs and Liberal candidates made to railroaders in Winnipeg, and to Manitoba as a province, during the election of 1993.

Many people were under the illusion—I was not—in 1993, given some of the things that have been said by the hon. member for Winnipeg South Centre, the Minister of Human Resources Development, that if the Liberals were elected the bleeding of rail jobs away from Winnipeg toward Edmonton and other places would stop and that Winnipeg would be restored as a transportation hub.

The very opposite has happened. The Minister of Transport makes former Tory ministers of transport almost look like friends of railroaders with some of the things that he has said about railroaders and certainly the policies that he seems to be following.

The privatization of CN in the budget is just the final icing on the cake of the things that have been done to rail by the previous Tory government and now by this government. It is a betrayal of Liberal promises and Liberal policy. It shows just how ideologically bent the Liberals are and how, in spite of everything they said in opposition, once they got in government picked up where the Tories left off and accelerated what used to be known as the Mulroney agenda.

With respect to the Canada social transfer and the block funding of all social spending, again it is a total betrayal of the things the Liberal Party has stood for in opposition and previously in government.

• (1220)

Perhaps the Minister of Finance should have waited until May 8 to have given his budget. Then we could have celebrated the 50th anniversary of the end of the second world war and the end of post–war Canada the same day.

That is basically what the budget did. It declared an end to the kind of society we have been able to build up over the last five decades. It is no coincidence that the end to that era comes at a time when the NDP is severely weakened in Parliament.

The government has no pressure from the left, no criticism from the left, no opposition from the left, at least not the kind it used to have. It gets pushed to the right by my Reform colleagues here. The Bloc Quebecois is preoccupied with its own agenda.

The government and the right wing business Liberals who for so long have had to contend with a left wing contingent in their own party, and with the NDP on their left flank, now are having a heyday. The Minister of Finance is one of those right wing Liberals. He is having his heyday.

I do not know what the Prime Minister is doing. He is letting the Minister of Finance do whatever he likes. It does not matter how much it contravenes what the Liberals have said before.

I am particularly concerned about the effect this is going to have on health care. When does it end? When will the Minister of Health and the Prime Minister get up and say to Ralph Klein in Alberta that enough is enough, that the Canada Health Act is going to be enforced, that we are going to have national standards in the country, and that all this talk about enforcing the Canada Health Act flexibly and the other kinds of things that have been spoken about will come to an end.

It is not going to come to an end. It seems to me that the Liberals have decided that the Canada Health Act is passe and that in various ways they are going to allow it to fade away. They are going to permit provinces to experiment with the dismantling of medicare.

This is something I predicted in 1984 in my final speech on the Canada Health Act. I said that if the federal government was not going to sufficiently fund medicare, sooner or later there would be pressures both from the public, from provincial governments and then in turn from the federal government to dismantle medicare.

Medicare has to be adequately funded if it is going to succeed. That is an insight which in some ways others have brought to bear on this debate. It is not just a question of having national standards. One has to have national standards and appropriate funding. If there is not the appropriate funding, for one thing the federal government cannot withdraw that funding in order to enforce standards, and for another people become disillusioned about the health care system if they feel that in spite of the standards it is not the kind of health care system they expect.

With respect to the Crow benefit and its elimination, again it is another blow not just to railways, farmers and railroaders, it is another capitulation on the part of the government to the global opposition to anything that comes in the form of a subsidy. This ideology against subsidies and against taking into account the realities of a country like Canada is something that is very dangerous for us. In many respects, Canada was built along east–west lines against natural north–south forces. If we are going to cut all the things that bind us together east and west and if we are not going to take them into account any more, we are going to end up with an entirely different country.

Maybe that is what the government wants but that is certainly not what its members said in opposition. It is something that they should be held to account for by the Canadian public.

Even in the administration of the elimination of the Crow benefit, I hope the government will soon tell us how it intends to make absolutely sure that it is the producers who receive the money that is going out as compensation for the elimination of the Crow benefit and not landholders, as may well be the case given the current state of the legislation.

It is not enough for the government to say that the Farm Credit Corporation will make sure that producers get it. The government has to make sure that producers get it, no matter who they are, no matter who owns the land that they rent.

• (1225)

My final point is with respect to the deficit. I listened to my Reform colleague talk about the need to get a grip on the deficit and to take the deficit a lot more seriously than the government is doing.

What I would like to see both the Reform Party and the Liberal government take more seriously is the need to address the real causes of the deficit. In the judgment of NDP members, the real causes of the deficit go back to the tax loopholes which were created in the mid–1970s by a Liberal government and to the high real interest rate policy which has been followed in the country for the last 15 years. It is a combination of those tax loopholes and the high interest rate policy that has created the deficit.

It is not social spending. Social spending has not grown in the way which some have suggested. It has not been the cause of the deficit. It may well be that it will have to be part of the solution, in the sense that it is an obvious area to look at, how we spend the money and whether we could spend it more wisely. However, unless we deal with the high real interest rate policy, unless we deal with monetary policy, unless we deal with how we finance the debt, we are going to continue to have the problem. We will continue to pay out $50 billion in interest every year.

If the interest is the problem, let us look at the interest rate policy which creates the interest we have to pay. Let us look at the role of the Bank of Canada and ask if there are not ways in which it could finance a greater portion of the national debt than it does now in the way that it used to. Let us look at the way private banks have been allowed to print and lend money to the government, at a great profit to them and at a great expense to Canadians, without having to put up the appropriate deposits.

The Deputy Speaker: I am sorry, the hon. member's time has expired.

Mr. Blaikie: Thank you, Mr. Speaker. There are many other things I could have talked about, but ten minutes only permits so much.

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, this debate is about the implementation of the federal budget. However I would like to take advantage of the occasion to pick up on a point made by the hon. member in the closing passage of his speech and look beyond the budget to examine the whole question of Canada's national debt; that constantly growing monster which requires $44 billion annually simply to feed. As the finance minister stated in the budget, service charges on the

debt will eventually reach $50 billion before the ratio of debt to gross domestic product starts to improve.

This is a good time, as everyone knows, to talk about the debt because officials from the Department of Finance have been meeting with Moody's, the bond rating agency in New York, to discuss a possible downgrading in Canada's rating. If the talks go badly and if Moody's ultimately downgrades our credit worthiness, the cost of borrowing money to service the debt will be even higher.

As has often been pointed out, the Liberal red book is silent on two questions: when will we eliminate the deficit and how will we then deal with the accumulated stock of Canada's debt?

A constituent of Don Valley West, financial analyst Ross Healy of Strategic Analysis Corporation in Toronto, has proposed a radical, elegant solution to Canada's debt problem called the Phoenix Rising Solution. At the heart of his proposal is an approach which is often used in corporate restructuring, cleaning up the balance sheet by converting excessive debt to equity. In this regard the Phoenix solution is conventional and even commonplace in the private sector, but for government the solution is unique, daring in the proposed scale of the financial offering and radical in its drastic alteration of government finances.

What is proposed is, in Healy's words:

> —an equity underwriting of up to $780 billion which will be used to pay down the indebtedness of the federal and provincial governments. The 'equity' used is a 30 year stream of tax revenues 'bundled up' such that there is sufficient present value to replace the indebtedness of the government. The new instrument we shall call the Canadian Phoenix Trust. Shares in the Canadian Phoenix Trust will be exchanged for current government indebtedness on a dollar for dollar basis. It is therefore a replacement of the existing debt with equity, as no 'new' capital is required for its success.

• (1230)

Here are the details of the proposal. The federal and provincial governments sell the rights to a future stream of tax revenue to a tax free trust, the stream being large enough to create a present value of up to $780 billion, the total of all direct government federal and provincial indebtedness. Units of the trust would be swapped for existing debt obligations.

Using a 3.5 per cent nominal growth rate in gross domestic product and a 4.5 per cent tax free discount rate, it would require about 4.2 per cent of gross domestic product annually over 30 years to service and retire the $780 billion of equity so created. The moneys would come from existing tax revenues.

The cost of servicing current and provincial debts is about $60 billion annually and rising. As a result there would be an immediate saving of roughly 50 per cent in debt service costs. The moneys paid not only cover service costs but also amortize the full amount of the debt.

Like a mortgage, the blended annual payments of dividends and principal are paid every year, and trust income is a flat 4.2 per cent of Canadian gross domestic product for 30 years, the annual amounts growing in direct relation to the growth of GDP.

Two questions arise immediately. If such a scheme worked, what would be its advantage? Of course, most importantly, would such a scheme work?

First the advantages. Economists have calculated that the current high levels of Canadian government indebtedness constitute an enormous drag on the Canadian economy by crowding out private sector borrowers. These economists estimate Canada's gross domestic product would be between $110 billion and $140 billion greater per year without the debt.

Eliminating government debt would permanently lower Canada's interest rates, thereby improving the climate for innovation, investment and long–term growth.

With the government reducing costs of servicing the debt by 50 per cent, coupled with the existing budgetary measures proposed in February, Canada's federal deficit would be eliminated in two years, not simply reduced to 3 per cent of gross domestic product. The combination of stronger economic growth and future budgetary surpluses would allow governments to lower tax rates, thereby encouraging even stronger economic growth. The Phoenix solution would create a virtuous economic circle indeed.

The biggest question, of course, is can such a scheme work? More precisely, will investors buy? Why would investors swap their holdings of government bonds for Phoenix Trust units on a sufficient scale to make it worthwhile? In the words of Ross Healy and his associate, Enrico Sgromo: "Investors will swap if they feel that the Phoenix Trust units represent a good investment and the current Government of Canada bonds represent increasing risk because of the financial crises that the government finds itself in". Well, given the last and recent gloomy conversations with Moody's, at least the latter half of this proposition seems reasonable.

The major attraction for foreign investors in the short term is the very positive impact on the Canadian dollar, which would gain value immediately. Over the long term the participation in a growing economy with low interest rates would offer both foreign and Canadian investors the opportunity for major capital gains. The beauty of the Phoenix solution is that the better Canada does economically, the better investors do financially. When we succeed, they succeed.

I have only sketched the outline of a concept that has been more fully elaborated elsewhere. My purpose is to test a new idea and ask for constructive responses from my parliamentary colleagues and indeed from citizens who may be watching this program.

I do not claim that the Phoenix solution is perfect, only that it is better than all other solutions I have heard proposed to date for solving our debt crisis.

In the end it will be up to members of the international investment community to decide whether they are interested in exploring a new investment vehicle. Over the years that financial community has shown a remarkable capacity for innovation, sometimes to their cost, as Barings Bank recently discovered. But I suspect that the prospect of charging even a modest commission on the conversion of $780 billion from debt to equity might intrigue even the most jaded spirits on Bay Street and on Wall Street.

• (1235)

[*Translation*]

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Mr. Speaker, I welcome this opportunity today to speak to Bill C–76 which proposes to implement certain provisions of the federal budget tabled by the Minister of Finance in February.

Unfortunately, this bill confirms what the official opposition suspected when the budget was tabled. And how does it confirm these suspicions?

Since the Liberal government cannot go on adding to the debt, it has decided to reduce the federal deficit by offloading the deficit to the provinces. Our Liberal big brother suddenly turned into an unwilling partner, a most unwilling partner, who decided unilaterally to reduce transfer payments to the provinces by more than $7 billion over the next three years.

These cuts will not take effect until 1996, to maintain the illusion that federalism pays, especially for Quebec. An illusion that will be particularly useful during the referendum campaign.

But the official opposition is keeping a close watch. This camouflage operation is despicable. Starting in 1996, Quebec stands to lose more than $700 million, and in 1997, more than $1 billion. This is intolerable.

What we have here is an irresponsible government that is trying to make the provinces take care of a situation the government created. The provinces are stuck with the bill, but they are not being given new powers. Only the federal debt is being decentralized, not government.

In the social sector, the long–awaited transfer of jurisdiction did not take place. Appearances to the contrary, the federal government insists on interfering in areas over which the provinces have exclusive jurisdiction. It withdraws but refuses to allocate an equivalent share of tax points to the provinces. Is this the much vaunted flexible federalism?

What is so flexible about letting one's so–called partners in this wonderful federation pay the bill, while imposing increasingly restrictive national standards in several areas?

Section 48 of this bill confirms that in addition to national standards for health care, there will be new standards for social assistance and post–secondary education. And provinces that do not play by the rules will see their funding cut.

The federal government's response is that these standards will not come into force before a consensus is reached among the provinces. Then why this attempt to introduce so–called national standards before there have been negotiations between the parties?

I will not dwell on the fact that the provinces were ordered to mention the Canada Social Transfer in all advertising and documentation referring to health care services offered by the provinces. Flexible federalism is dead in the water, long live imperial federalism.

But the empire is crumbling under its tax burden. In spite of cuts in social programs and transfer payments, the federal giant will need even more money to survive during the next three years.

The Canadian government's revenues will increase from $125 billion in 1994–95 to $137.4 billion in 1996–97. Taxes will increase by more than $3.5 billion over a period of three years. In fact, we will be paying more for less.

Need I remind the House that since 1980, the ratio of government revenues to GDP has increased by 18 per cent? Since the 1980 referendum in Quebec, taxes in Canada have increased at twice the average rate for G–7 countries.

It is shocking to see that as it prepares to cut payments to the provinces and increase taxes, this government refuses to do anything to stop duplication and the outrageous waste of public funds.

• (1240)

Where are the real measures to eliminate waste and overlap between levels of government? The answer is obvious. With the federal system, there will always be two departments of the environment, two departments of health and two departments of justice. By nature, the federal system extends its grasp ever further. The negative effects of the federal budget, renewed in Bill C–76, will hit all the provinces hard, particularly Quebec.

According to a recent study by Wood Gundy the expenditure control plan proposed by the federal government to reduce transfer payments to the provinces and the many changes over the past decade to established programs financing have increased provincial deficits.

The Government of Quebec has estimated that the cumulative effect of these measures from 1982 to 1994 meant a shortfall for it of $14.3 billion. The federal government's latest budget confirms that this trend will increase.

Federal money transfers in fact represent an increasingly smaller portion of Quebec's revenues. I will give you just one example. In 1983, federal transfers represented almost 29 per cent of Quebec's revenues. In 1994, they represented 20 per cent.

Wood Gundy believes that the cost of the federal government's withdrawal from established programs financing alone, responsible for 28 per cent of provincial deficits in 1993–94, will grow to 60 per cent of them in 1996–97. February's budget simply announced a worsening of the situation.

On the other hand, needs in the areas of post–secondary education and health care are on the rise. The provincial governments are faced with an existential dilemma: cut services or increase their deficit.

The official opposition has no choice but to criticize the government's lack of vision in reducing the deficit accumulated over the years. The government should have put its energies into eliminating useless duplication and overlapping jurisdictions with the provinces.

It should have trimmed the fat off its still cumbersome and ever costly structure. The Liberal government could have cut nearly $3 billion more over three years at the Department of National Defence alone. It failed to do so.

If it had gotten out of areas of provincial jurisdiction, in exchange for equivalent compensation in the form of tax point transfers, it would have created significant savings for both itself and the provinces. It would have meant savings for the federal government of nearly $3 billion in health care, professional training, post–secondary education and all programs relating to human resources development.

If the federal government withdrew from these areas of jurisdication, the Government of Quebec could, among other things, establish a real job creation strategy by tailoring human resources development and job training programs to key sectors of the province's economy.

But the federal government's actions tell a different story. The official opposition feels that this bill will actually impede job creation, because, instead of withdrawing from labour and education, which would permit the provinces to get to the heart of the problem, the federal government's role in these areas is actually reinforced by this bill.

As for Canada's tax system, the federal government still has given no real indication that it was serious about thoroughly revamping it. Some people still have the joy of exploiting tax havens!

Quebecers will soon have to decide which path to take. On the one hand, they have the option of taking their own matters in hand, of being masters of their destiny by founding a country they can call their own, and investing the imagination, creativity and constant quest for excellence that they are well known for in that country.

On the other, they have the option of remaining in a political and economic system that distinctly refuses to acknowledge their existence, of sticking with the status quo, which undoubtedly will lead them nowhere as a people. A stale political and economic regime crumbling under its own debt, deficit and taxes, unable to guarantee its citizens an acceptable standard of living. A political and economic regime which, without a doubt, is doomed to failure.

• (1245)

Sovereignty, admittedly, is not the miracle cure for all of Quebec's woes, but it will give Quebecers the power to pull the political and economic levers which will promote Quebec's growth.

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, why is the opposition, through its amendment, asking the government to redo its homework? Because spending cuts are often made in the wrong places or simply mishandled. Let me give you an example. It was decided to eliminate transportation subsidies in eastern Canada. It is understandable that, after several years, this program had to be reviewed.

However, according to Transport Canada documents, the transition fund that will replace these subsidies cannot be used to help shippers or to invest in roads and other transportation infrastructures on a cost–shared basis. There may be interesting projects in the two options offered but what is important in the region affected is to ensure that the money will be used to achieve what should be the real objectives: to direct industrial development and to ensure that the new industrial structure can handle the challenges of the 21st century.

That is why the opposition is submitting a very constructive proposal to the government. The opposition is proposing that this fund—which amounts to $78 million in Quebec, $121 million in New Brunswick, and so on in the other Maritime Provinces—be used not only for the road infrastructure but also to establish a business assistance fund that will help develop the second and third stage processing sector or simply help business adjust to technological changes. It is important to invest in roads but they are only one aspect of industrial development.

If we put all our eggs in the same basket, we will end up with a road network that will have to be maintained over a certain number of years. The government is experiencing difficulties that do not augur well for the future but by investing in business, by establishing a fund from which companies could borrow money that they would have to repay later, the fund could last for

5, 10, 15 or 20 years and have a permanent impact on economic restructuring in eastern Canada, especially in eastern Quebec.

Suggestions like this lead us to call on the government to redo its homework and take a few more months to work through the bill aimed at making the changes needed to implement the budget.

Let me give you another example of this type of situation. In the next few months, we will see what I would call the automation of Canada Employment Centres. It is rather paradoxical that, next year, the so–called Human Resources Development Department will be focusing in a major way on replacing workers with machines. Computers will be made available to the jobless in some places. I can clearly detect in that the approach taken with seniors and voice boxes. But the people who deal with unemployment centres may not know how to work automated systems.

Citizens will be further removed from civil servants, aggravating the problem of individuals becoming file numbers and having a tendency to abuse the system. So, instead of striving for realistic goals, this measure will be counterproductive because machines are replacing people. The human resources sector differs from the car manufacturing sector in that robots can be used to build cars but, if you want to help individuals find work and reenter the workforce, it is essential that they establish good contacts in terms of professional counselling and feel that the people they deal with at the employment centre are able to help them with their personal circumstances.

• (1250)

As I recall, when I was touring with the committee on the Axworthy reform, someone came to me with a proposal that I think would have been much more appropriate than these changes. What of it was now up to the users, the UI recipients, to evaluate or assess the services they receive? Perhaps that, based of the information provided by the users, the government would abandon this reform, or at least make sure that the human element is not removed, and plans for adding new technologies.

I would also like to list a few areas where we urge the government to go back to the drawing board. It was decided to reduce to nil—that is no small cut—funding for agencies involved with public participation in and awareness of international development. Every organization with a mandate to make Quebecers and Canadians aware of the importance of international co–operation will not be getting a penny more. This was done in a very cavalier fashion. The organizations were informed by phone and, in my riding, the CREECQ received written confirmation after it had taken effect.

It is rather insulting and appalling for organizations dedicated to ensuring that there is a future for co–operation. On the downside of this decision is the fact that these organizations also drew a parallel between poverty in our part of the world and in the South. It made it clear that everything is interconnected and that choices made in Northern countries create poverty in the South. We often have the same attitude towards our underprivileged as we do towards third world nations.

These organizations made sure people were aware of the reality. Given the government's current tendency to copy the American model, which entails the disintegration of the middle class, it is easy to figure out that it wants to get rid of those who question its social measures.

This appears to be a very bad decision which will result in Quebecers and Canadians being less aware of the need to provide international assistance.

I also want to mention the abolition of the Canadian Advisory Council on the Status of Women. This is another example of an unacceptable announcement. No ministerial statement was made. It was during a debate that we were informed that the Canadian Advisory Council on the Status of Women would disappear. This is another case of getting rid of those who question the government's actions regarding those who are in difficulty and who need a more flexible society.

The last example which I want to give relates to agriculture. The subsidy for industrial milk is reduced by 30 per cent. This means that either producers or consumers will be affected. And which consumers will be most affected if the price of butter goes up? It is those who have less disposable income. When the price of a pound of butter goes up 10 or 15 cents, that increase is not felt by those who earn $60,000, $70,000 or $80,000, but it has a direct impact on the budget of the poor, who have no choice but to reduce their spending even more.

All this is to tell you that we kind of wonder why the reaction to this budget is relatively positive in English–speaking provinces, while it is negative in Quebec. The media gave us the answer yesterday. Thanks to the federal system, Quebec is the province with the highest proportion of poor in the country. After 125 years, that finding alone would be enough to convince me that we must change systems and have control over our development as a whole. This is essential.

Whether in the context of an annual budget such as this one, or in the context of a more fundamental decision, Quebecers have a very different vision of development. This is why we want the federal government to do its job properly, while we are still part of that system. We are asking it to go back to the drawing board and to reconsider a number of legislative provisions which will have to be passed to implement this budget. We also hope that, when the time comes for Quebecers to make their fundamental decision, they will realize that a new system is essential for their development and also to change things which can no longer be tolerated in Quebec.

• (1255)

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The vote is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

And the division bells having rung:

[*English*]

The Deputy Speaker: The recorded division on the motion stands deferred until the end of Government Orders on Monday, April 24, 1995 when the bells will be rung for not more than 15 minutes.

* * *

[*Translation*]

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed from March 28 consideration of the motion that Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, be read the third time and passed.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, Bill C–69 being debated today deals with the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

This bill would certainly improve the current situation. For one thing, the provincial commissions will now have to hold hearings before starting their work and will have to produce three maps for every region covered, that is, three redistribution proposals. If there is sufficient public demand, the commissions will have to hold new hearings. We must admit that the process has been improved compared to the current situation.

The bill also requires the commissions to consider certain elements in setting satisfactory electoral boundaries. Clause 19(*b*) of the bill outlines the criteria to be considered: first, community of interest; second, a manageable geographic size for districts in sparsely populated, rural or northern regions of the province, and; third, the probability that there will be a substantial increase in the population of an electoral district in the province in the next five years.

Finally, clause 19(*c*) stipulates that the commission shall recommend changes to existing electoral district boundaries only where the factors considered above are sufficiently significant to warrant such a recommendation.

It is interesting to note that the first criterion refers to community of interest. However, another provision of the bill specifies that an electoral district cannot vary by more than 25 per cent from the provincial quota. For example, if the electoral quota for Quebec is 100,000 voters, the commission can establish ridings that have between 75,000 and 125,000 voters.

The commission can agree that there is a community of interest but that the number of voters does not meet standards.

• (1300)

Take, for instance, the riding of Bonaventure—Îles–de–la–Madeleine which is now below the provincial quota but has a vast territory.

The bill does, however, provide that under certain circumstances, the commissions are not obliged to apply the 25–per cent rule. However, these circumstances are so restrictive that one wonders in what cases they would actually apply.

In accordance with subsection 19(3), a commission may depart from the 25 per cent rule if an electoral district or territory is geographically isolated from the rest of the province or is not readily accessible from the rest of the province.

What does geographically isolated mean? Who is going to define this? The provincial commission? The courts? The bill gives no indication. To get back to the case of the Magdalen Islands, they are, of course, geographically isolated. Should the population rule apply? Residents had their own federal electoral district until 1968, and to this day, Quebec law has guaranteed them their own provincial riding. With all due respect for the work being done by the hon. member for Bonaventure—Îles–de–la–Madeleine, we think it would make very good sense for the Magdalen Islands, located in the middle of the ocean, 210 kilometres from the Gaspé coast, to have a member exclusively for the islands.

It will therefore be up to the residents to make a case that the islands are geographically isolated. That should not be difficult. Complying with this initial rule should not be a problem. Subsequently, they will have to show that the population of the islands would justify establishing a new riding. Of course, this

would have certain consequences. If the Magdalen Islands are entitled to have their own member, the riding of Bonaventure will lose the constituency that would form the new riding on the islands. So there is still a problem for the Gaspé peninsula.

What happens to the ridings of Gaspé, Matapédia—Matane, Rimouski—Témiscouata and Bonaventure? What about them? Does subsection 19(3) provide a way to deal with the problem of the Gaspé peninsula? Unfortunately, the subsection is not sufficiently detailed. The Gaspé peninsula is a region with a decreasing population, where members must cover considerable territory. They must deal with problems that do not exist, or at least not in the same way, in the more central areas of the country or province represented. Members are concerned about representation in the Gaspé peninsula.

Subsection 19(3) is far too restrictive to be acceptable to us. We had suggested maintaining in the bill before the House today the rules now in effect. What are these rules?

At the present time, a provincial commission may depart from the 25–per cent rule in any case where any special community or diversity of interests of the inhabitants of various regions of the province appears to render such a departure necessary or desirable. So in fact, provincial commissions have far more leeway when they have to deal with specific cases. They have far more flexibility than they have under this bill.

So a region, like the lower St. Lawrence, the Gaspé or the Islands, would have benefitted more under current legislation than they will under the extremely restrictive legislation they want us to adopt today.

Clause 19 is for the official opposition a major reason for not supporting this bill.

Clause 16 is unacceptable as well, both for what it says and for what it does not say. Its silence speaks volumes. The government is turning a deaf ear to the traditional request by Quebecers and their successive governments for minimum representation in the House of Commons, as enjoyed by some of the Atlantic provinces.

Representation of the Atlantic provinces is guaranteed, as you know, by the senatorial clause which dates back to 1915. We have no argument with this provision.

• (1305)

It enables Prince Edward Island, with a population of 120,000, to have four members in this House, because the senatorial provision specifies that a province may not have fewer representatives in the House of Commons than it has in the Senate. Prince Edward Island is guaranteed four seats in the Senate. The same rule applies to New Brunswick. It has a guarantee of ten seats in the Senate.

Although its population does not warrant its having ten seats in the House, New Brunswick is entitled to ten seats. We have no problem with that. The Terms of Union of Newfoundland with Canada of 1949 also covered this point and could be used to guarantee proper representation of Newfoundland in both the House of Commons and the Senate. This is just what it did; it guaranteed Newfoundland six seats in the Senate.

If we accept the senatorial clause that guarantees are to be given to Prince Edward Island, Nova Scotia and Newfoundland, why is there such an impediment to giving guarantees to Quebec on the subject of minimum representation?

Quebec is one of the two founding nations of this country. The collective memory of Quebecers has not forgotten that, in 1867, we were one of the two founding peoples. Allow me to remind you that on June 30, 1867, on the eve of the day the British North America Act was to come into force, Quebec, then called Lower Canada, had 65 of the 130 seats in the Parliament of the Province of Canada, that is half the seats, 50 per cent of the members.

Through its representatives, that is to say those elected to represent us, Quebec accepted at the time of the British North America Act to be limited to 65 seats out of 181 in the Parliament of Canada. This was the agreement reached by the Fathers of Confederation which was to come into force on July 1, 1867.

There was no referendum at the time. There was no consultation of the people of Quebec before the decision was made. It is also important to note that women were not consulted, since they did not have the right to vote at that time. There was no constitutional provision for a minimum representation for Quebec. The only guarantee we got was that Quebec would have 65 seats, although it did not say out of how many. On that point, there was nothing in the act.

Then, with the expansion of the Canadian territory and the inclusion of new provinces in the Confederation, the proportion of seats held by Quebec in the House of Commons constantly diminished until, in the last few decades, it stabilized at somewhere slightly above 25 per cent. Clearly the Fathers of Confederation erred when they failed to include a clause guaranteeing Quebec a minimum representation and, at that time, it should have been 50 per cent.

It is rather difficult to rewrite history and to claim 50 per cent today. What we are asking for is a guarantee of at least 25 per cent of the seats in the House of Commons. Should Quebec participate in the elections for the thirty–sixth Parliament, for

the first time in its history, its representation would fall below 25 per cent, since it would have only 75 seats out of 301.

This explains our proposal which, basically, is the same as the Liberal proposal of 1992, when they were in opposition. Let us see what the hon. member for Papineau—Saint–Michel and present Minister of Foreign Affairs was saying at the time. He was happy to seek for Quebec a guarantee of at least 25 per cent of the seats, saying that it would be a major gain for Quebec.

Yet, none of the Liberal members who were in this House in 1992 and are still here today supported our motion for a minimum of 25 per cent. How is it that these members changed their minds in so short a time? Why do they refuse Quebec something which is really minimal? Why do they refuse to make a move in the right direction? Why do they refuse a simple overture to Quebec? Why do they refuse a small sign of attachment to Quebec?

• (1310)

Why is this government refusing to show that it cares about Quebec, that it wants it to remain in Canada? Canada has no interest in having Quebec under–represented or diminished in the House of Commons. Quebec must keep its representation because it is a nation. It is one of the founding peoples. As a founding nation, francophones occupied all of Canada and went even a little farther, since our territory went as far as Louisiana.

It goes without saying that this request from Quebec must be supported since the large majority of Quebec members in this House voted in favour of guaranteeing Quebec a 25 per cent minimum representation. Daniel Johnson, Leader of the Official Opposition in the Quebec National Assembly, presented the following motion: "That the National Assembly of Quebec reiterate the goal of maintaining a representation of at least 25 per cent for Quebec in the House of Commons of Canada and request the Government of Quebec to make representations to that effect".

Thus we know that there is a large consensus in Quebec, going beyond party lines, to claim this minimum guarantee of 25 per cent. When we see the Progressive Conservative Party, the official opposition that is the Bloc Quebecois, and the independent member for Beauce support such a motion to include in Bill C–69 a guarantee of a 25 per cent representation, it is obvious that this issue achieves a large consensus in Quebec.

Needless to say that Senator Rivest also supported this provision. Even the governments of Quebec which requested that such a provision be included in our legislation have given it their unwavering support, and as far as I know, the current government had never retracted what had previously been agreed to.

How strange it is indeed to see the government finally recant on something that it supported in September 1992. This government reneged on what our Canadian partners had unanimously accepted. Of course, it was in the context of the Charlottetown accord. But should Quebec be punished because the rest of Canada decided that this accord was not to their advantage?

You will therefore concede that the bill before us today for third reading is incomplete. Especially when it comes to the criteria used to determine whether there can be a departure from the boundaries of a riding or those used to designate special ridings. It is also incomplete because it fails to deal with the issue of the representation of one of the country's two founding peoples. The vote on the amendment proposed by the official opposition demonstrates without a doubt that the federal government's failure to guarantee in this bill fair representation in this House for Quebec was not an innocent oversight: it was deliberate.

Would Canadians have been against the government finally recognizing Quebec's distinct society status, status as a founding people, as a nation on which this country was built? I am convinced the answer is no. This is the smallest request Quebec has made over the past 50 years.

I would be helpful to go back to the beginning and to remember that Canada's history all started with the arrival of Jacques Cartier in Gaspé, in 1534. Then comes the founding of Quebec City by Samuel de Champlain in 1608; the founding of Trois–Rivières and Montreal in the decades that followed and afterwards, the establishment of the first public government in New France, as Canada was called then.

Our first public institutions were created in 1663, when the King of France established the Sovereign Council of New France. We slowly stopped being French, became Canadians, then French Canadians and, ultimately, Quebecers.

Meanwhile, in 1774, the Quebec Act restored civil law in Quebec and allowed us to have an unelected legislative council. They were afraid to give francophones, who were so peaceful, democratic institutions, institutions to which Quebecers could elect their own representatives. And yet, Quebecers, Canadians of the time, had shown great pacifism and open–mindedness.

Finally, in 1791, thanks to the Constitutional Act, we were granted the right to elect our own representatives to our very first national assembly, in Quebec City. In 1791, we gained partial control over our institutions. Things went fairly fast after that, except that Canada was divided into Upper and Lower Canada. The assembly elected by Lower Canada has no extraterritorial power and cannot legislate on matters concerning Upper Canada and vice versa.

• (1315)

In 1867, the institutions we still have today were created. It may seem somewhat paradoxical for a sovereignist to rise in this House to ask for a 25 per cent representation. We have not left yet. We are still part of Canada. It is our duty and our responsibility, in accordance with our commitment to defend Quebec's

interests, to ask all parliamentarians in this House to grant us 25 per cent of the seats.

We were here first, we joined the union in 1840, we decided to live together. You will lose nothing in giving us 25 per cent of the seats. It would be a nice gesture toward a nation, a people you claim you want to keep within your ranks. It seems to me that if the government wants to give an obvious sign of its love for Quebec and is serious about keeping us in Canada, it must guarantee us a 25 per cent representation.

[*English*]

Mr. Stinson: Mr. Speaker, I rise on a point of order. I have had a question on the Order Paper for 348 days now and I am starting to wonder if I will have to wait—

The Deputy Speaker: The hon. member is quite entitled to raise that point, but he should raise it at a different time. Since the hon. member will not get a response at this time, I would ask him to raise that point the next time Questions on the Order Paper are discussed in the House.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I would like to speak on the electoral boundaries issue because it relates to representation by population and, more importantly, to responsible government.

I would like to point out that the House of Commons is built on the principle of representation by population. This great country of Canada came to be not by chance, but rather by strong convictions that all people could work together for the betterment of all. Perhaps it was the right man in the right position in the 1850s and 1860s, or perhaps it was a strong determination that a dream of federalism could work, but I know that compromise played an important role in the final decision. To make responsible government work in the 1850s, before Confederation, it took a lot of people working together, in particular the compromise for trade by George Brown, a man who put his country before himself when he proposed the great coalition in 1864.

My hon. friend from Chambly spoke the other day of the French influence and what he felt was a lack of support by Reform members of this House for the French cause or French history. I want to assure my friend that Reformers are not so ignorant as to deny the history of their own country, nor to be unaware of those who shaped it from its beginnings.

To be honest, I would first have to acknowledge our aboriginal people, whose beginnings we can trace well back to before Christ. On the west coast of Canada the use of cedar gives us many of our time clues. We can actually trace cedar growing on the west coast of B.C. to at least 3500 B.C.

Later, as Europeans came to our country's shores, they claimed the land as theirs. Does that not seem odd? So many others were already in occupation of this land. True, the first European settlements were French settlements, after Cartier's visits of 1534 and 1535. Those settlements were along the coast of Nova Scotia. In the 1604–05 settlements there was severe hardship. The hardship was due to very cold winters, the lack of fresh water, and sickness. Those settlements did not remain at that time.

Later came settlement in Quebec in 1608, as my colleagues from the Bloc have stated. That, of course, was Champlain's settlement in Quebec. As I recall, Champlain was very concerned about those in his small settlement. He wondered how to keep the morale up. His order of good cheer was to increase the morale and bring some relief and entertainment to those inhabitants who were so far from home. It is interesting to remember that many years later, Voltaire referred to New France as those few acres of snow.

• (1320)

Meanwhile, some French settlers had returned to the Acadian shores, and by 1613 these Acadians, peaceful farmers who tilled and looked after the land, really bothered no one. Yet that did not prevent the expulsion of the Acadians in 1755. Of course, they did not swear allegiance to the British crown. When they were expelled from Grand Pré, it was an injustice; it was cruel.

Does it matter now that the English at the time feared the unrest to the south in the 13 colonies, which they thought was about to explode because they knew the Americans in the 1760s protested against the unjust taxation by the English? I think they called them the "intolerable acts". We are all aware of the Boston Tea Party. Well, does it matter now? I do not think so.

Reformers are also aware of Longfellow's epic poem, "Evangeline", the immortalized young Acadian woman who spent her life in search of her lost love, only to find him as he lay dying. Let me assure the Bloc, it is part of our tragic history as well.

I watched the Anne Murray show last Friday night, dedicated to the fine music and musicians of Nova Scotia. She spoke with pride of her Acadian ancestry.

What of the 30 years following 1755? Many English, later nicknamed loyalists, fled to the 13 colonies, often to escape being tarred and feathered—peaceful, law-abiding citizens—all because they wanted to remain obedient to the English crown. Is that not odd? A few years earlier cruelties had taken place because Acadians did not want to swear allegiance to the British crown. Wrongs on both sides.

Many fled persecution by the Americans with only the clothes on their backs. They trekked for miles through unknown forests, hostile Indian lands, the same as the Acadians. So many came here in those years that in 1784 the colony of New Brunswick was created.

We in this House are well aware that we are talking about over 100,000 loyalists. They came to all parts of Canada, to Nova Scotia and Quebec—so many came to Quebec that Upper Canada was created—to P.E.I., to areas of Newfoundland.

By 1791 the Constitution Act became a reality. The Quebec colony split into Upper and Lower Canada. Upper Canada contained many of the loyalists. The Constitution Act created elected assemblies with limited powers. Here again, we have England in control, so concerned dare she give much authority to these colonies. She has just seen what happened far to the south. At least she thought that was the lesson she should take from all of this. Was she wrong? I think history proves that she was.

To go back, following the downfall of New France in 1759 and 1760 with Montreal's capitulation, decisions had to be made. The first two governors, following military rule from 1760 to 1763, were Murray and Carleton. Both these governors tried to protect the Canadien way of life: Catholic religion, French civil law, the language, the culture; English criminal law, though.

Hesitation came when Murray did not introduce the elected assembly. Why did he not introduce the elected assembly? He had a minority of English people in Montreal scrambling for it. He was under constant attack. Why did he not do it? He was trying to protect the majority of French Canadians who at that time could not be elected to serve. Murray did not introduce it and the rest is history.

Due to our diverse history our country has many tragedies. Perhaps there are those who feel they should be divided into nationalities. I do not. These are the tragedies of our country. They are our tragedies.

To my friend from Chambly, I acknowledge that there was a British–French rivalry in the 1600s and 1700s. Of course there was. The wars continued at that time. Each nation wanted to control the rich resources of North America. What were those rich resources? The cod fishing grounds of Newfoundland and Acadia, the fur trade of the St. Lawrence. But where are they now? The cod are gone. Do we blame each other?

Does it matter that in the last 20 years our Liberal and Conservative governments did not care for this vast resource wisely? In the fur trade, the animals pushed further and further into the remaining forests and hinterlands.

Have we kept the mighty St. Lawrence free from pollution? Are the Belugas not being slowly poisoned? What about the Beluga who pushed her baby toward a boat so scientists could see her baby's open sores? The scientists in that documentary honestly felt that the Beluga wanted them to see that. Do the animals know what we are doing?

• (1325)

The Bloc is arguing for a 25 per cent guarantee. When the city of Quebec fell in 1759 to the British General Wolfe and later when Montreal fell in 1760, New France as it had been was gone.

Under the Treaty of Paris in 1763, the proclamation promised protection for the Canadian way of life, including its traditional laws and the Roman Catholic religion. That does not mean we destroy representation by population.

However, I would like to assure the member for Chambly that Reformers do not think Canadian history began with Reformers, but rather we are very much aware of the contribution made by the early French settlers. Representation by population, won by the population, fairness for all, equality for all—that is where we are coming from.

However, if we are talking about Reformers, which Reformers was my hon. friend referring to? The 1800s or the 1900s? I see my friend over there is laughing again. This always gets a laugh from him. Well, if he will listen for a little while, I will see if I can get him to be serious for a moment.

In the 1800s in Upper Canada we had Bidwell, Ryerson, Mackenzie and Baldwin. Why? We had the hated family compact, a small group of English gentry, for want of a better word, who wanted to keep the control in their own hands. The truth was the majority of Upper Canada's inhabitants were very poor. Immigrants were encouraged to come to Canada in the great migration.

I want to share briefly with the House an article I read many, many times to my students, just to put them in the picture, not of the French Canadians' plight but in this case the Europeans' plight when they came to Canada in 1815.

"Most immigrants who came to Canada during the great migration were very poor, but they could get cheap transportation to Canada. Passage to Montreal or Quebec by sailing ship in the 1820s was seven pounds, about two month's wages for a farm labourer, with meals included. Children travelled for half fare. These immigrants faced extreme hardships, both on board ship and in the colonies to which they travelled. Sicknesses such as cholera were common aboard ship. Tens of thousands died on their way to North America. The survivors faced great problems as they tried to find work or to clear the land for pioneer farms."

The following description of a plight of an immigrant family living in a cave in Upper Canada was written in 1821.

"The mother, who continued to shed tears, told me that she and her family were Irish immigrants. They had been induced by a series of misfortunes to set sail for Canada, with the intention of obtaining land, and had, after many difficulties, got thus far in their voyage. But, being now destitute of money, they were unable to procure a lodging and knew not where to apply for work, assistance or information. 'A husband and these two boys', said the woman, 'are all who remain to me. My little girl died on the ship and they threw her into the sea. Aye, sure, that was the worst of all', continued she in an agony of grief, 'poor babe, she had neither prayers nor a wake'."

We do not often hear these stories, but let me remind the House that there are many of them. As a teacher for 30 years, I have books full of them.

Often, after years of working the land, instead of the promised land deeds, these new Canadians received a bill for the total price of the land and of course they did not have the money. The promises that were made to them were all lies, and many of them lost their land. They were promised roads, schools and help that never materialized.

Who were those first Reformers? They were the new Upper Canadians, who were lied to and could see no way of changing or of change coming under the existing system. Hardships? Oh yes.

So we had moderate and radical Reformers from 1824 to 1837. I choose those years because that is when it seemed to rise to a crescendo.

Finally, when peaceful constitutional means did not bring relief or results, William Lyon Mackenzie King became a radical Reformer. How many times was he elected to the legislative assembly? How many times did Bond Head throw him out? He was re-elected again. Frustration? I guess he was frustrated.

We are talking here about fair representation; the result, the rebellion of 1837. What am I saying? Rebellion did not just happen; it took many years of injustices created by a few at the top who tried to control others. Reformers came about because of necessity. Necessity is the mother of invention.

I am well aware that the rebellion in Lower Canada happened again because of oppression by a small group in control. In this case again, English Governor Sir Francis Bond Head, in my opinion, should never have been in the position of power he was in. In history we often find people who are in positions they should never be in. He appointed who he wanted to be his executive and legal counsellors.

In Upper Canada the Anglican Church dominated the scene. John Strachan, of course, the first Anglican Bishop of Toronto, wore many hats.

How did the family compact get its name? Well, they inter-married, many of them, and gave jobs to friends and relatives. I think we call it patronage, do we not? Is it happening again today?

• (1330)

We are talking here of a privileged class of judges and magistrates, again family compact connections in a colonial society, all leaders of Upper Canada, members of the dreaded family compact and in Lower Canada the Chateau Clique, the same composition appointed by one governor, Bond Head. He chose his executive and legislative council from a group of British merchants. The mandate, what was it in Lower Canada? It appeared to be to force the Canadian population to adopt the British way of life.

Louis Papineau emerged as a brilliant orator of the reform movement in Lower Canada. The frustrations of the Canadiens were rooted in both of the following: a cultural division between the French and English in Lower Canada; and the undemocratic nature of the colonial government. Power was abused. There is the saying: Absolute power corrupts; power corrupts absolutely. That is certainly true.

Last night I briefly watched part of a documentary on J. Edgar Hoover. It was frightening. I think perhaps he epitomizes the master of civil servant control and how dangerous it can be if it gets out of hand. Why? It must be that the people who are elected and can be removed, must be accountable.

What happened to Hoover? We saw people who lost their lives. Was it justified that they lost their lives? We saw a president killed. Who killed him? We saw some terrible things happen and all because power was not placed properly.

Wrongs have happened in our country's history. Reformers arose in the 1800s out of necessity. In Upper and Lower Canada again Ryerson, Bidwell, Mackenzie, Papineau, Baldwin, La Fontaine were all reformers. On the east lawn there are statues of two reformers: La Fontaine and Baldwin. My friend from Chambly, these reformers were good men. They were all good men. Unfortunately when people want change and nothing happens they become frustrated. Rebellions happen.

What happened to these reformers? Some in positions of power referred to them as Yankee loving traitors. Does it sound familiar? How often have we heard this in this House? Reformers try to talk about reforming health care. We try to talk about serious things that need to change and are going to have to change if we retain them. Yet we get accused of being American, of trying to force American doctrines in this House. I am really

sorry to see debate reduced to these attacks and misrepresentations. Usually it is to avoid answering a question.

Responsible government. Baldwin and La Fontaine worked hard for it. How important was it to address the rights of fair representation, the rights for responsible government? Finally England faced its responsibilities. When a rebellion happens you have to see the writing on the wall.

Unfortunately though the colonial secretary, Lord John Russell, was in no way committed to responsible government. It was totally unacceptable to him. Although both rebellions failed, they succeeded. They succeeded because Britain became alarmed. Sixty years earlier it had lost its 13 colonies. Someone saw sense.

Lord Durham was sent to Canada. He was nicknamed Radical Jack, probably because he was a powerful advocate for political reform in the 1830s in England. He was instrumental in getting votes on the secret ballot and was also instrumental in getting the vote for all men. I believe he was probably chosen because of this. He certainly was a man who would look at the other side of things. He was a sick man; he was a dying man when he came to Canada.

Durham's appointment was seen as a welcome change on both sides of the Atlantic by those wishing for political change. He arrived in 1838. He was not well, as I said, but he was determined to do his duty.

Responsible government was suggested to Lord Durham, the new Governor General, by Robert Baldwin, a reformer for all of the six British colonies remaining in eastern North America: Upper Canada, Lower Canada, New Brunswick, Nova Scotia, P.E.I. and Newfoundland.

Many similarities existed in the injustices in all six, injustices which led to the American revolution. Robert Baldwin was a moderate reformer. His proposal for responsible government appealed to Lord Durham. It was similar to Britain's form of government.

After the rebellion, Durham had to deal with political prisoners. His leniency toward the rebels, especially in Lower Canada angered the English minority in Montreal. Because of the constant antagonism against him, after five months he resigned and went back to Britain. He still wrote the Durham report and the result of that, as we know, was the Act of Union in 1840.

• (1335)

Favouring responsible government, the reaction in the Canadas for this favour it was now going to receive in Upper Canada was pretty positive. The Reformers knew political leaders were to emerge, like Francis Hincks who had been a newspaper man with the Toronto *Examiner*, and the Baldwins again, the people who had waited years for change. In Lower Canada, Étienne Parent and Louis La Fontaine were also anxious to see these changes.

Lord Elgin was actually going to be the man who was instrumental in putting responsible government forward. He was actually the son–in–law of Lord Durham. He was married to Mary, Lord Durham's daughter. When he came the instrument was going to be the rebellion losses bill to make amends to those people who had lost valuable property.

We know what happened. We received responsible government. Lord Elgin listened to the people. He gave royal assent. In 1848, Nova Scotia had it because the Reform government was in power. In 1849, New Brunswick and the Canadas had it. In 1851, P.E.I. had it and Newfoundland had it in 1855.

What about the native people in Canada? What about the genocide committed on the Beothuk Nation in Newfoundland? We have made so many errors. What about the Japanese? During the war maybe we had to have security restraints but we did not have to give away all their property.

The Deputy Speaker: I wonder if there would be unanimous consent to give the member a few more minutes to finish her talk?

Some hon. members: Agreed.

Mrs. Jennings: Thank you. What of our errors in the way we treated our Japanese Canadians? They had a lot of valuable real estate, especially in British Columbia, which ended up in the hands of a lot of suspect people. I did not like what happened in British Columbia. It was wrong.

We have a lot to be ashamed of, but it is all of our shame. It is our history. It is us. We have to be equal. We have to care together. To remove and sell off people's possessions is wrong.

Should we visit the sins of the fathers on the sons? I think not. In my classroom we would often say: "Yesterday was another time; tomorrow is the first day of the rest of my life". That is where we should be going in Canada today. We had two mothers in Ireland, one Protestant, one Catholic, who tried to go for peace, who also used that idea. We have to make it a better world.

Any electoral changes must be to protect all Canadians equally, as equally as our Constitution at present will allow. I hope my friend from Chambly will concede that Reformers know their history. Perhaps it is with a little different emphasis, but I hope I respect all cultures in our country: no special privileges, no special interest groups, all of us working together in a federal union.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I have a comment and a question. We are currently debating the motion that Quebec should keep at least 25 per cent of the seats in this House.

I listened carefully to my colleague. After going over 200 to 300 years of history, she said we should forget all that. But she did not mention the events that have occurred in the last 20 years.

I would like to remind her of the reasons why Quebec is so distrustful and why it is asking for this protection. As recently as 1980, the federal government defeated the Yes side in the Quebec referendum after spending hundreds of millions of dollars. In 1971, for instance—why was it not mentioned?—Parliament passed the Official Languages Act, which since then has become the perfect instrument of assimilation.

• (1340)

In 1970, the Canadian government invoked the War Measures Act in the middle of the night in order to send in the army and stifle the separatist, the sovereignist movement. They arrested 500 people without warrants. Do you think we will forget this overnight? No way. One cannot forget those events.

More recently, there was Meech Lake. I will not spend too much time on this, since a member of this House sitting across the way, who was then a member of the Manitoba legislature, prevented debate on this matter, thus killing the accord. No one seemed to be sorry about the Meech Lake failure, except Quebecers of course.

Today, the hon. member, who claims to be a good teacher, would like to wipe the slate clean and forget about those events.

My question is this, Mr. Speaker: Do you think Quebecers can trust this government to set the record straight regarding those events?

[*English*]

Mrs. Jennings: Mr. Speaker, I would like to thank the hon. member for his comments.

First, his history professor feels very strongly, as does he, about the pain people experience. I understand his pain. I do not think it can be forgotten. I do not know if anyone could forget the pain. I do not know if my father could forget everything he saw in the four wars in which he fought. I do not know if my grandmother could forget that she lost four sons, 17, 18 and 19 years old. I do not know if people can forget those things. I know that we had better start looking at making a change. I know that they are still trying to get reparation.

No one can say that our friends in Quebec have been assimilated. I do not think that would ever happen. They are very proud of their culture. They have done a wonderful job in maintaining their culture. Every year in my classroom I had six students who came from Quebec. It was a wonderful experience. There is no danger of our friends in Quebec ever being assimilated.

However, I am asking them to do something for all Canadians, as well as for the people of Quebec. We are all one country. It is a rich country. We can set an example for the world if we are willing to work together. Please help us make that change.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I listened to my hon. colleague from the Reform Party. I heard him say, referring to the Loyalists, that: "There were so many in Quebec that Upper Canada had to be created—To be created out of what exactly?"

Does this mean that we were confined to a smaller territory; by "we", I mean francophones?

We are reminded of the massive influx of immigrants in 1815. The hon. member from the Reform Party said: "Those people were lied at. They could see no chance, no change coming into the system". Have we not been seeing the same thing happen over and over again for years.

She also said: "Reformers arose in the 1800s out of necessity". Does this statement not also apply to the sovereignists who have been pursuing their action for 30 years already and perhaps more?

I would like to leave you with this thought and I would like the thoughts of my hon. colleague from the Reform Party on this. "History tends to keep repeating itself mainly because we do not listen to it". And that is a question I would like an answer to.

• (1345)

[*English*]

Mrs. Jennings: Mr. Speaker, yes, I would agree with the hon. member, history does keep repeating itself.

What happened when the Loyalists came there? We know that in the 1850s there were 400,000 people in Upper Canada. After the division in Lower Canada there were about 150,000 English compared to 450,000 French. When we look at that balance it is a lot of people to govern.

In the wisdom of the people at that time, I would assume it would only make sense to make a geographic division, the Ottawa River being the dividing line. That is all I can give the member in that answer.

Yes, there were reformers in Canada in the 1800s. The member said that history keeps repeating itself. I must tell the member that Upper and Lower Canada both had their reformers. Lafontaine and Baldwin were both recognized by the Canadian government. History keeps repeating itself. That is why there are reformers today. If we do not pay attention to history, then necessity comes again.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, first of all, I must denounce Bill C–69, which, in my view, is a farce.

The only purpose of this bill is to take away from Quebec its vested rights as a founding nation. Allow me to explain.

It is essential that the historical number of members representing Quebec be maintained. Needless to say that, in a few months, after Quebec has become sovereign, the Government of Canada will be free to do as it pleases. But for the time being, we are still here and our job is to look after the interests of the people of Quebec.

Obviously, the members opposite, the Liberal government, have a short memory. I will try to connect them to reality by stating a few historical facts.

Representation and the description of the electoral boundaries are both calculated according to the rules provided in sections 51 and 51(*a*) of the Constitution Act, 1867 and sections 14 and 15 of the Electoral Boundaries Readjustment Act.

The federal legislation on the readjustment of electoral boundaries established an electoral boundaries commission for each province. These commissions are responsible for drawing a new electoral map, in which the population of each electoral district will correspond to the electoral quota for the province. This quota is obtained by dividing the population of the province by the number of members of the House of commons assigned to the province.

There is a section of the Electoral Boundaries Readjustment Act that I find fascinating, namely section 15, which states: "Community of interest, or the specificity of an electoral district in the province or the historical development thereof, and a manageable geographic size for districts in sparsely populated, rural or northern regions of the province".

Last year, when this commission came to Chicoutimi, changes were proposed. Five of the seven municipalities in the riding of Chicoutimi were to be assigned to the riding of Jonquière. The problem with this change is well defined in the section I just read.

• (1350)

First, there is the community of interests. The municipalities of the Lower Saguenay which would find themselves separated have always had economic and social ties with La Baie, which is another major centre of the riding of Chicoutimi. Indeed, several services located in La Baie are provided to Lower Saguenay residents, including the Canada employment centre and the small business development centre.

Second, the area covered by a riding must be taken into consideration. In order to have access to services in the riding of Jonquière, residents of Ferland–Boileau—the municipality closest to the one which was going to be included in the riding of Jonquière—would have had to travel 45 kilometres. This is a good example of what the Liberal government planned to do in my riding last year.

I am convinced that this kind of nonsense would also have occurred elsewhere than in the Saguenay region. It would be interesting to check this out for the province as a whole. However, given the decisions taken every day by this government, there is no point in doing that. Indeed, the daily actions of the Liberals speak for themselves, which is more than enough.

A few days ago, the hon. member for Bellechasse pointed out that the 1985 legislation on electoral representation was very clear as regards the number of seats to be allocated to Quebec, since it stated that, before any new distribution, the chief returning officer had to ensure that Quebec would get 25 per cent of the seats.

This is not the first time that Quebec gets taken. This unfortunate reality is prevalent throughout the history of our province, which is one of the two founding provinces of Canada. I could mention the Royal Proclamation of 1763, which imposed laws written in English, and which prescribed for public office holders an oath administered under the Test Act, whereby they gave up their Catholic faith and pledged loyalty to the British Crown.

I can also think of the Quebec Act of 1774 and the Constitutional Act of 1791. In a newspaper of the time, it was said that Lower Canada was much too French to be anglicized by English–speaking settlers. Referring to Lower Canada, it said: "This colony is much too French. It must be degallicised. Since Quebec has fallen, it is time for this province to become English." We simply do not forget episodes like that.

Then came Confederation, which finalized a process which had started with the Union Act of 1840. After Confederation, French–Canadians thought they had a treaty between two peoples, between two distinct societies, between the two founding nations, but English–Canadians considered the treaty mostly as a piece of legislation giving the English majority the right to dominate the minority made up of French–Canadians. And why not try to make them suffer, to use a fashionable expression these days. With this bill, the government is trying to remove our vested right, which is the right for Quebec to elect 25 per cent of the hon. members in this House.

• (1355)

As I said earlier, as a matter of good conscience if not of respect, this bill should not be used to penalize Quebec once more. Have Quebec and Quebecers not suffered enough from this domination? As far as I know, Quebecers still account for more than 25 per cent of the Canadian population. So, do you not think it is normal that at least 25 per cent of the members in this House represent Quebec? What is the rest of Canada so afraid of that it feels it has to try so hard to remove our most legitimate right to fair representation?

As I said, Quebec has the legitimate and historical right to preserve a minimal political weight within the Canadian federation, even more so since we are not getting our fair share of federal transfers to provinces, whether it is for defence, for research and development or especially, as everyone knows, for job creation. Now Quebec could have its representation in the Canadian Parliament reduced.

Where was the Prime Minister, where was the hon. member for Papineau—Saint–Michel, where was the hon. member for Bonaventure—Îles–de–la–Madeleine, three outstanding Quebec citizens, when on a vote on March 28 the House rejected a motion put forward by my colleague from Bellechasse, which would have protected, once and for all, Quebec's political weight within this federation? They were away from the House at a time when they should have been here to vote with us on this issue.

The Speaker: My colleague, usually we refrain from referring to the fact that an hon. member is in the House or not. The hon. member may wish to rephrase his statement after question period.

It being 2 p.m., the House will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

YOUNG ACHIEVERS AWARD

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, it is with great pleasure that I extend congratulations to Measha Gosman on winning the YTV Young Achievers Award for 1995 in the vocal category.

Measha is a grade 12 student in my riding of Fredericton—York—Sunbury. She now holds the distinct position of being only the second of two people from Fredericton to receive this recognition in the six–year history of the award.

Constituents, New Brunswickers and her parents are obviously very proud.

Competition is fierce for the YTV award since only 15 are presented annually. Categories for the competition range from dance to entrepreneurship, and more than 1,000 young Canadians are nominated each year.

I look forward to seeing Measha at the awards ceremony here at the National Arts Centre tonight. On behalf of the people of Fredericton—York—Sunbury, I wish her well in her national television performance.

[*Translation*]

HUMAN RIGHTS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the Minister of Human Resources Development has once again shown a lack of consistency and vision when developing government policies that are supposed to protect citizens who are treated unfairly.

Last February, he tabled amendments to the Employment Equity Act. The commission's new responsibilities include enforcement of the Employment Equity Act, establishing an employment equity review tribunal and, last but not least, auditing reports submitted by private sector employers. According to the Human Rights Commissioner, the commission would need 15 new officers to carry out these new responsibilities.

The minister has probably forgotten that he himself closed the commission's regional offices and cut its budget by more than $3 million. This makes no sense at all.

* * *

[*English*]

THE DEBT

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to salute the residents of Salmo, British Columbia. These fine Canadians have decided to take action on the national debt. They have to because the Liberals have done nothing to reduce it, in fact they are increasing it.

The people of Salmo are collecting pennies to send to the debt reduction fund. While these good Canadians are scraping the bottom of the barrel, desk drawers and every nook and cranny, the Grits continue their spending binge.

The Canada Council handed out $88 million in grants last year. One of the latest handouts is $10,000 for a gay and lesbian film festival to be staged in Saskatoon this weekend by the Positively Queer group.

My heart goes out to the residents of Salmo. What will they do when they realize that they will have to collect one million pennies to pay for the Liberal government's financial support of the Positively Queer film festival? That is almost three tonnes of pennies. The Liberals should be ashamed.

* * *

CHILD POVERTY

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, the National Council on Welfare reports that the number of poor

people in Canada has increased dramatically and child poverty has reached a 14–year high.

For many years, successive Canadian governments have followed policies designed to reduce the wages of working Canadians and fatten incentives for wealthy Canadians. The rich get richer and the poor get poorer, and there are more of both of them. Middle income Canadians are being driven to extinction.

Deregulation, free trade, privatization, contracting out, and union busting are driving down the private incomes of working Canadians. At the same time, their social benefits are being reduced by cuts in health care and education, justified as a means to pay off a deficit caused by a high real interest rate policy and tax loopholes that favoured the rich in the first place.

Children are poor because their parents have no money. Case in point. Famous Players Theatres, owned by Viacom Blockbuster, wants its projectionists to take a 60 per cent wage cut and is using scabs to enforce its will. Government should act to protect the children of people who are on strike to protect—

* * *

OPERATION HOME FRONT

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, this past Christmas, residents of Brant, led by Sheila Enslev and the Dunsdon Legion organized Operation Home Front to send support packages to our peacekeepers overseas. This idea was inspired by a study trip to Bosnia during which Ms. Enslev saw firsthand the valuable contributions made by our peacekeepers.

The response from the community was overwhelming and 172 packages were sent to Canadian troops stationed in Bosnia. One soldier wrote back and said: "You showed me that there are people who care and know we exist".

As the Easter season approaches, Operation Home Front will be extending its services to include our troops in the Golan Heights and in Haiti.

In light of the negative media that has recently accompanied our military operations abroad, it is important that Canadians everywhere recognize and appreciate the good work our peacekeepers have done and continue to do.

I want to say on behalf of our community, thanks to Sheila and the members of the Dunsdon Legion, for giving us an opportunity to say thank you to our peacekeepers.

MARY KENNEDY

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, hundreds of friends gathered on Monday in Ottawa's St. Patrick's Basilica to say farewell to a very special lady, Mary Kennedy.

Mary's work in Canadian politics spanned three decades, during which the likes of Hugh Faulkner, Ross Milne, Ralph Ferguson and our colleague from Edmonton North, John Loney, benefited from her dedication, hard work and principled advice.

I am humbled by the fact that Mary also helped me in the recent Ottawa—Vanier byelection. Mary was not an armchair critic. She believed in our political system and acted on that belief. She epitomizes the kind of Canadian every political party depends on and to whom we in the House owe tribute.

A passage from one of Irving Layton's poems describes Mary's spirit very well.

> They dance best who dance with desire,
> Who lifting feet of fire from fire
> Weave before they lie down
> A red carpet for the sun.

We will miss you, Mary.

* * *

[*Translation*]

CREE NATION

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, recently, Domtar and Mishtuk built a sawmill in Waswanipi, in northern Quebec, as a joint venture. The new company is 55 per cent owned by aboriginal people and 45 per cent by Domtar.

We have here a perfect example of a large corporation contributing to the self–sufficiency of an aboriginal nation. Eighty long term jobs will be created for the Cree.

• (1405)

This initiative should also be commended for its approach to sustainable management of our forests. Today I want to pay tribute to Chief John Kitchen of the Cree Nation and to the Domtar management team.

* * *

[*English*]

SUGAR INDUSTRY

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, two shocking and extremely dangerous pieces of legislation have been introduced in the U.S. Congress that could devastate the Canadian sugar industry.

Senator Jesse Helms and Congressman Dan Burton have each introduced legislation that would tighten the economic sanctions against Cuba by imposing sanctions against any country

that trades with Cuba. This would bar Canadian exports of sugar and related sugar products and would eliminate over $500 million in exports to the U.S. market.

These bills have been co–sponsored by presidential candidates Dole and Gramm and Senators D'Amato, Thurmond and others. Yesterday the Washington *Post* stated that this bill enjoys broad bipartisan support and is likely to pass after hearings this spring.

In the name of Canadian sovereignty, I call on all parties to continue our work together and support any government attempts to stop these dangerous pieces of legislation dead in their tracks.

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[*Translation*]

INTERNATIONAL DEVELOPMENT

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, the Minister of Foreign Affairs treated the people working in organizations promoting awareness of international development abominably yesterday.

After cutting the funding of these organizations, which represents only one half of one per cent of the total aid budget, the minister had the nerve to insult the thousands of volunteers involved. By saying that if they really felt it was important to increase public awareness about development aid, they would do it for free, the minister was distorting the facts. The funds allocated to these organizations do not go to pay volunteers.

Furthermore, the minister would appear to be unaware of the incalculable consequences this measure will have on the network of solidarity and international co–operation. Rather than insulting everyone, the minister should reconsider this very hasty decision.

* * *

[*English*]

CITIZENS AGAINST CHILD EXPLOITATION

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, today Monica Rainey, executive director of Citizens against Child Exploitation will present the Minister of Justice with the signatures of 42,000 people. Each signature represents a child who has been sexually abused in Canada.

The message is loud and clear. Elimination of sexual exploitation of our children must become a priority.

However the government continues to choose political issues like gun control over critical issues like child sexual abuse, making this House merely a House of partisan politics. Unspeakable criminal acts are being committed every day in the places our children play, learn and most devastatingly, call home.

I challenge the Liberal government to enact legislation which will protect our children. Stop the legal system from betraying them. I ask the Minister of Justice to prove to us that Ottawa is not merely a place of political opportunism but a place where justice prevails, where meaningful issues take priority and true humanitarian acts of government are born.

* * *

GASOLINE PRICES

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, certain members of the House are calling for an inquiry into gasoline prices.

With provincial and federal taxes representing about 55 per cent of the price and refineries averaging about a 4 per cent return on their investment for the last several years and gas stations closing because there is no profit, what is left? Might it be combined federal and provincial taxes, or legislative demands unilaterally imposed on the industry or high municipal taxes in cities such as Ottawa?

Clearly any inquiry must start with full examination of the role of government at all three levels in driving up the cost of gasoline. Acting otherwise would be closing one's eyes to the real problem.

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HARBOURFRONT CENTRE

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, on March 31 the minister of public works announced federal financial support for the Harbourfront Centre would be $6 million for the current fiscal year. He made no further commitments for subsequent years. In light of this announcement the Harbourfront board decided to close the facility on September 15.

• (1410)

Greater Toronto area MPs met on Tuesday night and reaffirmed their commitment to the centre, which is a vital cultural asset benefiting the region.

Area MPs are united in their determination to work for stable, multi–year base funding or identify alternative funding sources to secure Harbourfront's future. Area MPs have worked to obtain a significant level of funding for this year, in spite of tight fiscal constraints, and we will continue to work for the centre's future.

We regret the board's decision to close on the 15th. We had hoped it would have taken more time to explore other funding sources or secured the participation of new directors prepared to keep the centre open on a reduced budget.

The people of Canada would be poorer for the demise of centres like Harbourfront, but the people of Canada have also demanded that we get our fiscal house in order. Regrettably this means that Harbourfront and other important institutions and programs will have to learn to live with less financial support than in the past.

S. O. 31

[*Translation*]

EXPO 2005

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, last week the Bloc Quebecois member for Rimouski—Témiscouata stated that Hull was the ugliest city in the world. What a pleasure it is to hear that the hon. member is now spreading the message far and wide to the people of Hull that she is retracting her remarks and that she wants all who will listen, particularly her new friend the Minister of Canadian Heritage, to know that she supports Hull's application for Expo 2005.

This means that people from around the world could come and see the phenomenon of a city transformed into a friendly, welcoming community in the space of a week, thanks to the Bloc members. Is this a sign that the separatists have finally chosen a date for the referendum—2005?

* * *

QUEBEC REFERENDUM

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the Minister of Canadian Heritage does not share the opinion of the Minister of Labour when it comes to the announcement, yesterday, by the Premier of Quebec, that the referendum will not be held in the spring. The heritage minister confirmed that he and the Prime Minister did not wish that the referendum be held before the summer.

However, the labour minister, responsible for the federal involvement in the referendum battle, said she was surprised and disappointed that the referendum on Quebec sovereignty would not be held before the summer. Clearly, cabinet ministers are divided on the subject. However, they should be reminded that this decision belongs to the Government of Quebec, and the Premier is at liberty to set the date when this important consultation for the future of Quebec and Quebecers will be held, no matter what the labour minister might think.

* * *

[*English*]

BILL C–68

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, yesterday the Minister of Justice, with the support of the Liberal caucus, demonstrated his blatant disregard for the principles of democracy that govern this country.

The opposition Liberals ranted and raved when the GST debates were cut off and the ill–conceived tax was shoved down the throats of Canadians. Now what did they do? Follow the Mulroney lead.

First, the Minister of Justice publicly proclaimed that the gun legislation would not be determined by a head count. Then, on introducing Bill C–68, he said the consultation process was over.

The Speaker: Colleagues, we are all aware of the traditions of the House that we do not refer in any way to a vote that has been taken in the House. I would hope that the hon. member is not going in that direction. May I gently caution the hon. member not to mention any votes, reflect on any votes, or the way members voted in the House.

Mr. Ramsay: Mr. Speaker, let us not forget that while the Liberals rammed through the bill—

Some hon. members: Oh, oh.

The Speaker: The hon. member for Haldimand—Norfolk.

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CANADIAN POLICE INFORMATION CENTRE

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Mr. Speaker, it is estimated that 42,000 Canadian children are sexually abused annually. Last November the Minister of Justice and the Solicitor General announced changes to the Canadian Police Information Centre.

• (1415)

I commend the ministers for their positive improvements. Unfortunately, even though the database is available, there is no obligation to access it. At the moment the process is cumbersome.

Another serious problem is the granting of pardons for those convicted of sex offences against children. Tens of thousands of Canadians have signed petitions and letters asking for additional laws to protect our children. Many of these will be presented today after question period by Monica Rainey, founder and executive director of the Citizens Against Child Exploitation.

In light of the urgent plight of Canadian children, I urge the Minister of Justice to implement a mandatory certificate of clearance system and immediately investigate the option of amending the Criminal Records Act to prohibit pardons for those convicted of sex offences involving children under the age of 18.

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[*Translation*]

QUEBEC REFERENDUM

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, the Premier of Quebec officially announced, yesterday, that he was postponing the referendum until the fall. The leader of the Parti Quebecois is telling us that he has no use for the report by the National Commission on Quebec sovereignty which is to be tabled on April 13.

We all know that millions of dollars have been spent for this huge consultation operation which was to give the people of Quebec an opportunity to advise the government on the issue of Quebec sovereignty.

With yesterday's announcement by the PQ leader, one week before the tabling of the national commission's report, we have to conclude that for the PQ government and its friends in the Bloc, strategy is more important than the opinion of Quebecers.

ORAL QUESTION PERIOD

[*Translation*]

JOB CREATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the minister of Human Resources Development.

In a report released yesterday, the National Council on Welfare reveals that, in 1993, poverty kept on increasing in Canada, especially in Quebec where 20.7 per cent of the population live below the poverty line.

In view of this worsening problem of poverty, how can the government explain that it has not implemented any job creating measure and that it has reduced its participation in the infrastructure program, its only initiative to create jobs since it came to office?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is very important for all members of the House to recognize the seriousness of the situation as underlined by the National Council of Welfare report.

The continuing incidence of poverty is something which requires all of us to make a very serious response. The most important is to ensure we can create the right climate, the right framework in which jobs can be created. That is still one of the most effective ways of alleviating poverty, to get people back to work.

In this past year we have created over 450,000 jobs. We have had the highest job growth rate of any industrial country. The figures used by the National Council of Welfare stop at 1993. We would certainly hope the very substantial job creation of this past year would tend to alleviate that problem. However that certainly is no cause for any kind of complacency.

We must redouble our efforts to get people back to work, to invest more in the kind of programs and initiatives that will give people some real opportunity to improve their status. I would welcome the co–operation of the hon. member and his party as we go about trying to reform our social system to enable that to happen.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, on numerous occasions, we offered to co–operate with the government to create jobs. It brushed aside all our suggestions.

How can the government claim that it is working to create jobs when it refuses to implement a real defence conversion strategy, to come to the rescue of the MIL Davie shipyard, and decides to stick to a monetary policy obsessed by inflation control instead of job creation?

Will the minister dare say that the laissez–faire attitude of this government will contribute to job creation?

• (1420)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member knows very well that most of the jobs in the country must be created through the activities of the private sector.

If we are in a situation in which interest rates rise at an unacceptable rate or international capital flows become volatile and we are vulnerable to them, we pay the price by not being able to create incentives for job creation.

That is one of the reasons why in the budget we undertook to stabilize the fiscal situation in the country, to make ourselves less vulnerable to those international flows of capital, to be able to stabilize our interest rates and to provide a very effective framework within which the private sector can go about creating jobs.

At the same time, we also believe to parallel that we must invest very seriously in what we call the human deficit, the issue of making sure people have more choices about improving their skills and being able to get beyond simply benefit programs and into active employment programs.

That has been the whole indication and thrust of the reformed proposals the House of Commons committee considered and the recommendations we are now considering for action which we intend to bring in this year.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, could it be that the minister's passionate plea in favour of job creation by the private sector hides the government's inability to help the unemployed?

Will the minister recognize that the sad picture in Quebec, where 21 per cent of the population now live below the poverty line, the highest rate in Canada, might I add, is the result of federalism and irrefutable proof of the failure of a system totally unable to promote economic development in Quebec and powerless in the face of deepening poverty in Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is unfortunate the hon. member has taken what I think we all see to be a very serious situation and tried to turn it into some kind of attack against federalism.

The issue of poverty, especially among our young children and our families, will require the collaboration and co–operation of all levels of government, not one party continually insisting on separation, on breaking the country apart and fragmenting our efforts at a time when what we need is collaboration, co–operation and a coming together.

The real issue of attacking poverty is having all Canadians, all provinces and all regions working ensemble.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

In the same report, the National Council of Welfare pointed out that poverty among young families, mostly among single parent families headed by a woman, is on the rise. The report says that children are poor because their parents are poor. And one of the main causes of this poverty is the shortage of good jobs.

Will the Minister of Human Resources Development admit that, far from reducing poverty, the unemployment insurance cuts for which his government is responsible will actually cause it to increase because they force tens of thousands of unemployed on to the welfare rolls each month?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, in the changes to the unemployment insurance bill introduced last year in Bill C–17 we introduced a special measure that provided a two tier benefit support so that we would provide a higher level of benefits for individuals of very low income who have dependent children so they would be able to receive 60 per cent of a replaceable income compared with 55 per cent, the national standard.

• (1425)

Since that time close to 200,000 Canadian families have been able to take benefit from that second tier of benefits, which means they have been able to add close to $1,000 of income to their family resources during the year.

That indicates we took into account, in making changes to the unemployment insurance program, that there is a special need, especially for those families which have children. I can assure the hon. member that as we begin to look at a broader reform of unemployment insurance the same principle of targeting our help to those most in need will continue to be our basic philosophy.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister's own budgetary plan says that, as a result of legislative amendments contained in Bill C–17 which reduced the maximum number of weeks of entitlement, there has been a 16.2 per cent decrease in the number of recipients.

Will the Minister of Human Resources Development acknowledge that this situation will only continue to deteriorate in the next three years because of the cuts in transfer payments and the implementation of the Canada social transfer, which is nothing less than a veiled attempt to cut federal funding for social programs even more?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, on the contrary, I think that the new framework for transfers being hammered out between the federal and provincial governments will be an opportunity for the governments to develop a co–operative and effective approach to combatting family and child poverty. I think that it is an effort to develop a national strategy, a co–operative strategy which both levels of government will use to solve the problem, and I hope that the hon. member and her colleagues will join us in this national effort to fight poverty in Canada.

* * *

[*English*]

DIRECT TO HOME SATELLITES

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Last November the cabinet decided to overrule a CRTC decision and create a blue ribbon panel to review Canada's direct to home satellite policy; I should say a red ribbon panel because it has strong links to the Prime Minister's office.

We understand from leaked reports to our office this back room, closed door review is now complete. To avoid public scrutiny the cabinet's decision will be announced after the House rises for the Easter break.

What decision has the government made with respect to direct to home satellites and why was it not announced before the break?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the statements in the member's preamble to her question are generally incorrect.

The questions referred to the panel were of great importance both to the information highway initiative and to the satellite broadcasting system. We announced the review would be completed in an open way and it was done so. The panellists were named and received written submissions from all Canadians interested in the matter. Those submissions were made public. The public was then given an opportunity to provide written responses to submissions. Those responses were made public.

This afternoon the panel will make its recommendation public. I suggest to the hon. member she might wish to read it and perhaps then she will have some suggestions of her own.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my supplementary question is for the Minister of Canadian Heritage.

The politics of this review has tainted its outcome. The review was ordered because the original decision went against Power Corp., a company headed by the Prime Minister's son–in–law. The review panel included Robert Rabinovitch, who has personal ties to Power Corp. and the Claridge Group, and Roger Tassé, a partner in Eddie Goldenberg's former law firm. If that was not bad enough, the government tried to slip the decision by the House to avoid public discussion.

Why was the DTH review not conducted as part of the industry department's information highway hearing or the CRTC convergence hearings?

• (1430)

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, once again we have an example of a shamelessly irresponsible member of Parliament making unsubstantiated allegations.

Some hon. members: Oh, oh.

The Speaker: I appeal to members to be very judicious in your comments when referring to members of Parliament. I ask you to keep this in mind in your questions and in your answers.

Mr. Manley: Mr. Speaker, there is a reason this process was followed. Very simply, as the hon. member knows, the satellite broadcasting system, the direct to home system, is one we are concerned about with regard to the very rapid growth of what is called the grey market.

It was important the government establish its policy in a very clear way as quickly as possible and yet attempt to make it as open as possible. We decided we would appoint a panel. It would hold the process as I described it in the previous question.

I want to make it clear to the hon. member that the Minister of Canadian Heritage and I received the report only this morning directly from the chairman of the panel. We will be reviewing it very carefully. I suggest to her perhaps she might like to. We have not taken a decision as to whether the recommendations will be followed.

I would like to hear whether the Reform Party has a position on this important issue. I would be happy to take it into account before recommendations are made to cabinet.

The Speaker: I appeal to members to make both the questions and answers more concise.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is again for the Minister of Canadian Heritage.

The Reform Party has always favoured a review of Canada's direct to home satellite policy. We do favour competition but it should be done in a very public forum.

Instead, the government's review was a backroom, closed door deal to favour a bunch of Liberal bagmen. It is yet another example of the government's lack of cultural policy.

One day it is restricting competition in favour of Canadian industries, the next it is swinging the door—

The Speaker: The question please.

Mrs. Brown (Calgary Southeast): Does the government have a cultural policy or will decisions continue to be made in an ad hoc way to the benefit of Liberal insiders?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I do not know what part of the universe the hon. member comes from. I do not know whether she knows anything about satellites at all. She is clearly accustomed to flying in spacecrafts, though.

In endeavouring to deal with this policy in as rapid a way as possible we have conducted a process using people whose reputation is really beyond being impugned, certainly by the member.

We have appointed a panel of three former deputy ministers, all of whom served under other governments. These people's reputations have not been questioned by anyone else, certainly not by this member outside the House where she might be subject to legal action. She comes in here and tries to smear three people who are offering their services to the government.

Perhaps if the member would read the report she would find her allegations false.

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[*Translation*]

GOVERNMENT CONTRACTS

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice. We have learned that, last November, the Minister of Justice awarded a $22,500 contract to Earnscliffe Strategy Group, a communication firm.

• (1435)

Under the terms of the contract, this firm had to advise the minister on the gun control strategy he should adopt in dealing with his caucus.

How can the minister justify spending $22,500 in public funds to develop a communication strategy aimed at convincing his Liberal colleagues to meet their electoral commitment?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the contract referred to was entered into in the ordinary course of business in order to provide advice of practical assistance in discharging every day responsibilities. It is perfectly proper. It is money well spent.

I offer the events of yesterday as the most cogent proof of that investment.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my supplementary question is for the Acting Prime Minister.

Can the Acting Prime Minister tell us if the practice of using public funds to develop a communication strategy for the Liberal caucus is widespread among his cabinet colleagues, and if it is consistent with government ethics?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member has some facts, only some. The balance of her question is a combination of either invention or wishful thinking.

The funds were spent for the legitimate purpose of seeking the advice of others as to how best to serve the public interest. This was not advice on how to deal with caucus. This was advice on how to deal with issues that confront the Minister of Justice in relation to performing public responsibilities in the public interest. That is exactly why the money was spent.

* * *

GUN CONTROL

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this morning the justice minister said Liberal MPs who express their opinion and opposition to gun control legislation would not be punished. That was cool comfort. Already these MPs have been turfed from their committees.

The Speaker: As I explained earlier, we have a tradition in the House of not referring to any votes taken in the House or how members have voted. I ask hon. members to please be cognizant of this in framing their questions and also in giving their answers.

Miss Grey: Could the government House leader explain to the House and to the Canadian public what has happened to the red book promise of allowing more free votes in the House of Commons?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, free votes are those designated as such by the government. We did not designate the vote on second reading of the gun control bill a free vote.

However, we are keeping our promise each day the House sits because we treat all private members' business as free votes. This is certainly a lot more than was done by the previous government. At the same time, in the way the House voted on the gun control legislation we are responding freely to the consensus of the Canadian people.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, MPs must be allowed to represent their constituents without threats from the party whip. MPs should be praised for that, not punished.

Could the justice minister or the government House leader explain to the House why some Liberal members have been immediately turfed from their committee duties?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, this is not a matter involving the government as such but the internal workings of our caucus.

• (1440)

We would be happy when the time comes to go to the Canadian people as a party, as a caucus and ask for their support on the basis of the good work we have been doing for the Canadian people. This is exemplified by our support of the Minister of Justice's very positive, necessary and constructive gun control legislation.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Last November, the federal government, unhappy with a CRTC ruling on direct satellite broadcasting, formed a committee made up of friends of the government so that it could bypass the CRTC ruling in order to benefit other friends of the government, including Power Broadcasting.

How can the Minister of Canadian Heritage give credence to the report by a panel of so–called experts, when they only met with the Power Broadcasting project representatives and refused

to meet with their competitors under the pretext that they did not have enough time?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, these allegations are false. I suggest to the hon. member that she could perhaps take the time to read the report; she may even agree with the recommendations made by this panel of experts.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, in response to my colleague earlier, the Minister of Industry said that the government had set up its own committee in order to get the opinion of experts.

Are we to understand that the minister formed his own committee because he felt that the CRTC was not able to make what he sees as an appropriate recommendation and that his own committee would make a recommendation that would suit him?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, no. In fact, the government has not indicated it wants a particular decision at all. The government has the responsibility to establish policy in an important area which affects not just the delivery of program services but indeed has quite a broad effect on the information highway initiative in general.

The responsibility for making policy is that of the government. That is why governments are elected. We will consider the views of the panel of experts which will be reporting today and we will indicate what policy we believe should be followed.

The issue of who wins and who loses in these things frequently is a result of decisions of a regulatory panel, a tribunal, as in this case the CRTC. Nobody has suggested those decisions should be made elsewhere.

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INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, yesterday the minister of Indian affairs displayed petulance and obfuscation which has forced him this morning—

Some hon. members: Oh, oh.

The Speaker: I would ask the hon. member to be very judicious in the words he is going to use from here on in.

Mr. Duncan: Mr. Speaker, this morning the minister of Indian affairs clarified his conflicting answers on the series of events on the Stoney Reserve. It is now evident the minister did not seriously investigate this ongoing situation until after yesterday's question period.

I have now heard reports that there are five other locations in Alberta where logging may be exceeding DIAND permits: Gerard, Sturgeon, Hart Lake, Boyer and Eden Valley. What is the minister doing about this?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, yesterday was enlightening if for no other reason than the member for Kootenay East told the Vancouver *Sun* that all the companies were from his riding and would not name them.

In case the hon. member wants to know where the member for Kootenay East is, he is about three down and sits in the Reform Party. If he wants to be helpful, he obviously knows the names of the companies and he could quietly provide the RCMP with the information so that charges can be laid.

• (1445)

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, it would be refreshing to have the minister stop attacking the Reform Party every time he is asked a question. He could start being a professional manager.

The minister has given conflicting reports as to when he knew about the overcutting at Stoney Reserve. Did he know when the department knew one year ago? If not, why not? If he did, why did he not do something?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I would categorize this as more of a confession than an attack. I am glad the hon. member has raised that question because I think it is time to get positive.

What are we going to do about it? I think we could use the help of the Reform because the National Aboriginal Forestry Association has proposals for legislation. It represents 120 First Nations who are involved in forestry, 50 forestry companies, educational institutes and the Meadow Lake Integrated Management Program which does training. They have five goals all of which presumably the Reform will endorse.

If they work through a consultation process, which I think they will, and if we have legislation—

Mr. Thompson: Useless.

Mr. Irwin: Just relax. I know I get you every time.

The Speaker: I think I will just relax and go on to the next questioner.

* * *

[*Translation*]

STATUS OF WOMEN

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Secretary of State for the Status of Women.

This morning, women representing literally hundreds of Quebec and Canadian organizations came to Ottawa to protest against cuts in the Equal Opportunities for Women Program. They denounced the gradual erosion of federal grants to

women's groups, which have shrunk by over $4 million over the past six years and are getting smaller every year.

How can the Secretary of State for the Status of Women justify these new cuts to organizations working with disadvantaged women when pride and dignity is all her Prime Minister ever talked about during the last election campaign?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I am proud and confident of our government's unequivocal commitment to equality for women, period.

I must remind my hon. colleague that we have restored the Court Challenges Program, are setting up health centers of excellence for women and are working on sentencing reform, firearms control, employment equity and small business issues, all with women in mind. I think this clearly shows our concern for equality for women.

Mrs. Christiane Gagnon (Québec, BQ): I have a supplementary, Mr. Speaker. The Secretary of State for the Status of Women is said to have informed women's groups before the budget was tabled that the criteria for grants would be reviewed by next fall.

Does the hon. secretary of state intend to hold consultations with these groups in developing these new criteria? If so, how much weight will she give to the results of these consultations in making her final decision?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I greatly appreciate the Bloc's concern for the status of Canadian women. I think this suggests it recognizes that equity and unity are going strong in Canada.

In this regard, she must recognize that our February budget did not contain any cuts in grants or contributions to women's groups. And I told women just that: "No cuts in grants or contributions". I told women and I repeat that the opinion of women from all regions of Canada will be taken into consideration when budget adjustments are made. I hope that the Bloc Quebecois is interested in the well–being of all women in Canada.

* * *

• (1450)

[*English*]

YOUNG OFFENDERS ACT

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, the west island of Montreal, indeed the whole region, was shocked to learn of the brutal murder of Reverend Frank Toope and his wife, Jocelyn. Three youths have been charged with the first degree murder of the retired couple. The victims were battered to death with a baseball bat.

Can the Minister of Justice assure this House that with the amendments to the Young Offenders Act currently before the Senate, young violent offenders will no longer be able to hide behind the law? Will justice be served for the victims, their families, the offenders and most of all for society?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the tragic deaths of Reverend and Mrs. Toope have shocked and saddened the community of Beaconsfield. All Canadians have been touched by the senselessness of this brutal crime. As the hon. member has said, people have been charged and the case is now before the courts. I will be careful not to comment on the facts of that case. Let me speak more broadly to the issues the member has raised.

The government cannot say that merely changing words in a statute, in a book, is going to prevent tragedies like this from happening. We know that is not so. A number of things are required to prevent crime and to get at its causes.

To the extent to which changes in the criminal law and the Young Offenders Act can deter and properly punish such misconduct, this government has acted. Bill C–37, which is through the House, is now before the Senate and I hope it will receive its prompt attention. As the House knows, that bill increases penalties for murder. It provides for the transfer to adult court of certain youths charged with serious violent crimes. It provides for the sharing of information.

I have also asked for the justice committee to tour the country, to listen to Canadians, to examine our juvenile justice system and determine whether other changes are needed. This government will be responsive to those recommendations. We are committed to a system that is fair and tough. We will act on that conviction.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, my question is in regard to the aforementioned horror which took place in Montreal. Two citizens were brutally, coldly and with extreme calculation bludgeoned to death by three young offenders. These murders were coldly planned homicides without remorse.

Will the justice minister assure the people of Canada by insisting that the 14 and 15–year old psychopath young offenders be tried in adult court?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I fully understand how Canadians, including members of the House, react to the horror and tragedy of events such as these.

I do urge the hon. member to bear in mind that the judicial process must run its course. There are people charged who are presumed innocent. There will be a trial. The crown will proffer evidence and a court will decide who is responsible. We must not prejudice that process.

Let me say in response to the point raised by the hon. member that any decision on whether or not to seek a transfer to adult

court is for the prosecuting lawyer to make. That person takes direction from the Attorney General of the province of Quebec.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have received nearly 50,000 letters and I know the minister has received the same amount regarding the Young Offenders Act.

We have continually heard from this minister that crime prevention, assistance for troubled youth at risk will stop these horrible crimes. It is too late for these two elderly people.

We have been told by provincial agencies that this government talks about assistance for youth at risk but does nothing. I ask the minister: When will he become a minister of action instead of an acting minister?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the record will show that I have never claimed we are going to be able to stop all crime. That is not going to happen.

What I have said is that while there is a role for toughening up the laws and providing better responses and enforcement, that is not all that is required. A great deal of other things are required as well and we have to focus on all of them.

• (1455)

I respond to the hon. member by saying that we have taken action by passing Bill C–37. We have taken action by asking the committee to recommend further changes. We have created the National Crime Prevention Council. My colleagues in cabinet are working in a variety of ways to address the underlying social causes of crime in this country.

* * *

[*Translation*]

BURUNDI

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs. The UN special envoy to Burundi accused the international community of pushing that country toward a genocide. Yesterday, in Bujumbura, that official denounced the international community's inconsistency and irresponsibility regarding the crisis in Burundi, where two million people may have to leave their homes, thus creating the world's largest concentration of refugees, according to the British Red Cross.

Will the minister once again remain insensitive to the increasing number of calls for help in Burundi?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, let me simply remind the hon. member what Canada has done in recent weeks and months to avoid a crisis which could reach proportions similar to the one which occurred in Rwanda.

First, the Secretary of State responsible for Latin America and Africa personally travelled to Bujumbura to participate in a meeting to find solutions to the refugee problem.

Second, Canada tabled a resolution which was supported by all the ministers attending a conference of the Francophonie, which was held in France, and where it was decided to send a ministerial delegation to Burundi to try to work out a solution with local authorities.

Third, the Canadian government is subsidizing NGO's, particularly the International Red Cross, in their efforts to help the civilian populations affected by the conflict.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the minister already told us about his information, his concerns, his representations and his hopes. However, my question is: How can Canada remain unconcerned by the plea for help made yesterday by the UN special envoy in Burundi? What is Canada waiting for to act, to show some leadership and to help a fellow member of the Francophonie? After all, Canada has displayed such leadership in the past.

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the hon. member for recognizing that the government is already involved. It is not fair to say that we are unconcerned. On the contrary, the initiatives which I just mentioned reflect our will to find a solution.

The hon. member would like Canada to be a leader regarding that issue. We are prepared to take on the role which the parties involved would like us to assume. Canada cannot impose itself. However, we have clearly shown that we are willing and prepared to help the parties involved if it is their wish.

* * *

[*English*]

JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, seven weeks ago the 14–year old daughter of two constituents of mine moved in with a 26–year old convicted sex offender. Neither the parents nor the police can do anything about this because the law states that the age of consent is 14 years.

Does the Minister of Justice see this as a case of child exploitation, or is the government content to see the situation continue?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the Department of Justice has under review the whole question of the age of consent to sexual activity precisely because of our concern for the young people who might otherwise be victimized.

I do however emphasize that the criminal law is not entirely silent in this respect. For example, as provided in section 273.1

of the code, there is no consent if the participation of someone of that age is induced by breach of trust or authority, threat or fear.

• (1500)

I point out to the hon. member that there may well be provisions in the code which would deal with this situation.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I would like to bring to the minister's attention another instance where for two years 46–year–old Henry Halm has been in Canada to avoid facing a prison sentence in New York for sexually abusing four young males, aged 15 and 16.

A Canadian judge recently ruled that Canada's laws dealing with the age of consent for sodomy are unconstitutional.

Does the Minister of Justice see this as a case of child exploitation? Is he prepared to change the law for the age of consent to see that this is stopped?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the issue in the case referred to by the hon. member is just the opposite. It was alleged in that case that the prohibition of homosexual activity by those who are under 18 years of age is unconstitutional because it is inconsistent with the rule otherwise for heterosexual activity. I believe that case is still before the courts and I will be careful not to comment further.

I am meeting this afternoon with a group called Citizens Against Child Exploitation led by a courageous and energetic woman, Monica Rainey from British Columbia. I am looking forward to that meeting. I have met with her in the past and I always learn from my encounters with her. This very subject is on the agenda. I will express my interest to Ms. Rainey and I will discuss it with her.

I can assure the hon. member that it is something that we will consider very carefully.

* * *

REGIONAL DEVELOPMENT

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, last fall a group of western MPs consulted with western Canadians on regional development. Important matters were recommended to the minister in charge of western diversification, including export promotion and helping high growth sectors.

What is the Minister of Western Diversification doing to implement the recommendations to help strengthen the economy of western Canada?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to thank the hon. member, and especially members of his committee, who made some very important recommendations.

I am pleased to report to the House that as a result of those representations and the guidelines set out in the budget that as of April 1 the Department of Western Economic Diversification has changed its fundamental approach to funding. We are now out of the direct lending or contribution business to individual enterprises. Instead we are now working with financial institutions to set up a network of investment capital pools across western Canada.

I can report that the Royal Bank, as it indicated last week before committee, is now prepared to join with us in setting up a very large investment capital system for the agriculture biotechnology industry. We have several other investment pools ready to be initiated that will provide a whole new system of investment capital for western Canada which will be the spur for real growth and real jobs.

* * *

PRESENCE IN THE GALLERY

The Speaker: I would like to draw members' attention to the presence in the gallery of Mrs. Kleveland, Minister of Cultural Affairs (Culture, Sport and Media) from Norway.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

STATEMENTS BY MEMBERS UNDER S. O. 31

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, Standing Order No. 18 states in part:

> No Member may reflect upon any vote of the House—

Nowhere in my member's statement did I specifically refer to a vote in the House nor was I about to.

By cutting me off halfway through my statement, I ask, with respect, for you to please tell me how my privileges as a member of this House have not been breached.

The Speaker: Order. There are times in the House, when we are making statements and asking and answering questions, in the heat of the debate, sometimes words are used that I interpret as indications of where a member is going.

• (1505)

In the particular case today, as members know, the Speaker does not explain his decision. I would be happy to speak to the hon. member for Crowfoot.

With all respect the hon. member, I would say this. It seemed to me at the time that the member was going in this direction and I thought I heard inference to the vote.

I am perfectly willing to review the blues. If, indeed, I made a mistake, as I will from time to time, because a lot of things happen at once and I am trying to pay very strict attention to hon. members when they speak. I will have a look at the blues and if, indeed, I was in error then I will come back to the House.

Will the hon. member at least give me the time to review the blues and we will take it from there. I will be happy to speak to the hon. member in my chambers if he wishes to pursue this.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, on the same point of order. I would ask that when you review the blues and this question, that you give us a little more guidance on the interpretation of this rule. It seems to me there have been numerous references during question period to votes that have taken place in the House.

For instance, the minister of immigration regularly refers to the vote on Bill C–44. Perhaps you could clarify your interpretation of that rule.

The Speaker: If it is necessary to come back to the House with a ruling on this particular subject, your Speaker will take into account all of the requests that are made to him here in the House today.

I am going to proceed first to the regular Thursday question. Then I want to give my ruling on a point of order raised by the hon. member for Crowfoot.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, as incredible as it may sound, I rise to ask the traditional question for a Thursday, even though today is the last time we meet for two weeks. I still wish to ask the hon. Leader of the Government in the House to tell us what is on the agenda for that period of time.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member wants to know what we are going to do during the next two weeks. I do not think that comes under the purview of the House.

However, I will make a statement about what will happen when the House returns on April 24. As I have said, I will leave what is to be done by hon. members in the intervening period to them and their own good judgment, if not their good taste.

Business of the House

When the House returns on April 24, we will be entering the most intensive part of the parliamentary calendar. I believe, therefore, it would be useful if I outlined briefly, not only the business for the next few days we are back but also priorities for the period between our resumption of sittings and the break in the month of May.

The business of supply requires many opposition days in this period, one or two a week. I should like to designate Thursday, April 27 as one of those opposition days.

Our first priorities when we come back from the Easter break will be to complete the third reading of Bill C–69 regarding electoral boundaries, and second reading of Bill C–76 implementing the budget, if these bills have not been completed, of course, before we adjourn today.

We will then return to report stage of Bill C–43, respecting lobbyists and to a motion to set up a special joint committee to develop a code of conduct for members of both Houses of Parliament.

Our next priority will be second readings of other important and pressing bills, namely Bill C–75 regarding farm loans; Bill C–70 regarding income tax; the bill respecting the Mint which was introduced this morning, and a very limited number of measures to be introduced later this month on which there are some time constraints.

We will also give priority to the bills that have already been considered by parliamentary committees and which have been reported back to the House and which, therefore, are now in their final stages of debate in the Chamber. These are Bill C–54 regarding old age security; Bill C–67 respecting veterans pensions and Bill C–65 concerning government organization.

• (1510)

There is also Bill C–41 regarding sentencing; Bill C–45 respecting conditional release; Bill C–58 regarding the Royal Canadian Mounted Police; and Bill C–52 respecting the Department of Public Works and Government Services.

We will then consider other items reported from committee and any other items on which there is a consensus to move along.

By way of conclusion, I want to say I am providing this information now so the House leaders of the other parties are able to assess their positions in order to enable them to join with me, when the House resumes, in planning a reasonable schedule for the House in late April and early May which will in turn make it possible for us to do similar planning for what will be a very crowded agenda in June.

Having said all that, I wish all members of the House and their families a happy Easter and a happy Passover.

Speaker's Ruling

POINTS OF ORDER

QUESTION PERIOD—SPEAKER'S RULING

The Speaker: Colleagues, on March 31, the member for Crowfoot raised a point of order concerning answers given by the Minister of Justice in response to questions posed during question periods on March 27 and March 29. I would like to thank the hon. member for Crowfoot, the hon. Minister of Justice, the chief government whip and the hon. member for Kindersley—Lloydminster for their contributions to the discussion.

The hon. member for Crowfoot contended the Minister of Justice had contravened the sub judice convention by commenting on a case under appeal in the Alberta courts, and in so doing could have compromised the outcome of the case. Making reference to several citations from Beauchesne's sixth edition and to the case of Regina v. the Atlantic Sugar Refineries Co. to support his arguments, the hon. member requested that the Chair review the matter and determine whether or not the minister had contravened the sub judice convention.

[*Translation*]

The hon. Minister of Justice responded that nothing he had said in relation to the case offended the convention, and maintained that there was a difference between commenting on the facts of a case while the case was before a court, and stating the government's opinion about the ruling which had been rendered by a court.

Under the *sub judice* convention, it is accepted practice that, in the interests of justice and fair play, certain restrictions be placed on the freedom of members of Parliament to make reference in the course of debate to matters awaiting judicial decisions. Similarly, it is understood that such matters should not be the subject of motions or questions in the House.

As I commented last Friday, we use the word "convention" when referring to matters which are *sub judice* (that is, under the consideration of a judge or court), as no "rule" exists to prevent Parliament from discussing such matters.

[*English*]

In Canada, the First Report to the House of the Special Committee on Rights and Immunities of Members, presented on April 29, 1977, remains the definitive study of the sub judice convention. This special committee was chaired by Mr. Speaker James Jerome. In its report, the committee gave a lengthy explanation of the purpose of the convention. With the indulgence of the House I would like to quote from the committee's report, issue No. 1, at page 1:4:

> The freedom of speech accorded to Members of Parliament is a fundamental right without which they would be hampered in the performance of their duties. It permits them to speak in the House without inhibition, to refer to any matter or express any opinion as they see fit, and to say what they feel needs to be said in the furtherance of the national interest and the aspirations of their constituents. This basic parliamentary freedom is to some extent limited by the sub judice convention. Under the convention as it has developed over the years Members are expected to refrain from discussing matters that are before the courts. No distinction has ever been made in Canada between criminal courts and civil courts for the purpose of applying the convention. It has also had application to certain tribunals other than courts of law. The purpose of the convention is to protect the parties in a case awaiting or undergoing trial and persons who stand to be affected by the outcome of a judicial inquiry. It exists to guarantee everyone a fair trial and to prevent any undue influence prejudicing a judicial decision or a report of a tribunal of inquiry.

• (1515)

[*Translation*]

The *sub judice* convention itself is poorly defined and its interpretaton is usually left to the Speaker. The difficulty that I face as Speaker is that any attempt to determine when a comment might have a tendency to influence something can be at best speculative rather than preventative, that is, I cannot make such a determination until after the comments have been made. Hence, it has been the approach of most Chair occupants to discourage all comments on *sub judice* matters, rather than allow members to experiment within the limits of the convention and test the Speaker's discretion.

[*English*]

As stated in the special committee's report, Issue No. 1, at page 1:12:

> Your Committee is of the opinion that precise regulations concerning the application of the sub judice convention cannot be evolved and that it would be unwise to attempt to do so. Your committee recommends that the Speaker should remain the final arbiter in the matter, that he should retain the authority to prevent discussion of matters in the House on the ground of sub judice, but that he should only exercise his discretion in exceptional cases where it is clear to him that to do otherwise could be harmful to specific individuals. In exercising this discretion your committee recommends that when there is a doubt in the mind of the Chair, a presumption should exist in favour of allowing debate and against the application of the convention.

As to the matter raised by the hon. member for Crowfoot, I have reviewed the question period exchanges. I have reviewed them many times and the points raised by hon. members during the discussion on the point of order. I cannot conclude the Minister of Justice contravened the sub judice convention by stating the federal government disagreed with the decision of a court and planned to challenge the decision.

[*Translation*]

Let me make one additional comment. While the ultimate authority to judge on these matters rests with the Chair, I must emphasize that All members of the House must share the responsibility in exercising restraint when it seems called for. Again, I quote from the special committee's report, issue No. 1, at page 1:12: "It is the view of your committee that the responsibility of the Chair during the question period should be minimal as regards the *sub judice* convention, and that the

responsibility should principally rest upon the member who asks the question and the minister to whom it is addressed."

[*English*]

In conclusion, I urge all members and ministers to be prudent and exercise caution in their choice of words when dealing with matters that could fall into the difficult area of sub judice.

I want to thank all hon. members for their contributions.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

ABORIGINAL EDUCATION

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, before the debate resumes I have a few motions and I think you will find unanimous consent for these.

First, I move:

That the Subcommittee on Aboriginal Education, composed of five members of the Standing Committee on Aboriginal Affairs and Northern Development, be authorized to travel to Sudbury, Manitoulin Island, Sioux Lookout and Winnipeg from April 22 to 30, 1995 and that a staff of three do accompany the subcommittee.

(Motion agreed to.)

• (1520)

[*Translation*]

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the second motion is to authorize a committee to travel. I move:

That the Standing Committee on Environment and Sustainable Development and the necessary staff be authorized to travel to hold hearings and undertake site visits in Iqualuit, Resolute Bay, Cambridge Bay and Yellowknife between May 1 and 19, 1995.

(Motion agreed to.)

[*English*]

FISHERIES AND OCEANS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, next I move:

That a subcommittee of the Standing Committee on Fisheries and Oceans be authorized to travel to Vancouver, Prince Rupert, Nanaimo and Campbell River, British Columbia, from April 27 to May 4, 1995 to discuss Pacific salmon issues, aboriginal fishing strategy, the merger of the Department of Fisheries and Oceans and the coastguard, and licensing.

(Motion agreed to.)

SCRUTINY OF REGULATIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am sorry to impose on the House this afternoon; however, I have one further motion. I move:

That, notwithstanding any standing order, the government may table its response to the second report of the Standing Joint Committee on Scrutiny of Regulations no later than June 5, 1995.

(Motion agreed to.)

Mr. Boudria: Mr. Speaker, earlier this day a vote was deferred until our return on Monday, April 24. I ask unanimous consent to further defer the vote until Tuesday, April 25, at 5.30 p.m.

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mr. Kilger): Order. The hon. member for Trois–Rivières seeks the unanimous consent of the House to revert to presentation of petitions. Is there unanimous consent?

Some hon. members: Agreed.

* * *

PETITIONS

VOICE MAIL

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I would like to submit three petitions all asking the government to abandon plans for voice mail for seniors.

The first petition is signed by residents of the Mauricie area, the second one is from constituents in my riding and the third one is also from my riding, more particularly from members of the AFEAS of Sainte–Thérèse, in Trois–Rivières, whom I want to salute.

The petition reads: "The petitioners call upon Parliament to ask the government to abandon its plan to install voice mail, particularly for seniors".

Of course, Mr. Speaker, I support these petitions.

[*English*]

CANADIAN AIRBORNE REGIMENT

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, it pleases me to present a petition to the House in accordance with the standing orders.

The petitioners draw to the attention of the House that the disbanding of the Canadian Airborne Regiment is an act without precedent in Canadian history.

• (1525)

Therefore they request that Parliament initiate a royal commission or a wide ranging full public inquiry into the Canadian Armed Forces, including the reserves, to investigate, report and make recommendations on all matters affecting operations, tasking, resources, effectiveness, morale and welfare.

MAHESH INDER SINGH

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, on behalf of our colleague, the member for Nepean, I have the duty to present a petition from the Sikhs of Canada concerning the pending extradition of Mahesh Inder Singh.

GOVERNMENT ORDERS

[*Translation*]

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed consideration of the motion.

The Acting Speaker (Mr. Kilger): **When we interrupted debate to go on to question period, the hon. member for Chicoutimi had about ten minutes left.**

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I was just telling this House that we should at least confirm that Quebec must be represented by 25 per cent of the members of the House. I was also wondering why the rest of Canada was so afraid, why some people are trying to deprive us of the perfectly legitimate right to equitable representation. Furthermore, on April 4, the leader of the opposition in the National Assembly of Quebec, the kid brother of the federal Liberals, presented exactly the same motion as my colleague from Bellechasse.

I repeat that Quebec has a legitimate and, above all, an historic right to a minimum of political power in the Canadian federation. As things stand right now, we do not get our fair share of federal transfer payments and defence spending and we have showed this on a number of occasions in this House. Just this morning, one of my colleagues pointed out that we do not get our fair share in R&D, nor do we get it in job creation, and that is hardly all.

Besides this reduction in its representation, Quebec will be facing other similar inequities in the next few months. I was wondering: What does the Prime Minister think of that? What do the hon. members for Gatineau and Bonaventure—Îles-de-la-Madeleine think of that?

In the last vote on this issue, on March 28, I did not sense much support on the other side of the House. I can hardly understand what is going on. Is it not true that, in the political history of Canada and Quebec, the legislator has often expressed the will to assure regions, especially remote and rural regions, of a fair representation in the House of Commons? As long as the current formula for seat distribution between the territories and the provinces set out in the Constitution Act, 1867, as amended in 1915 and in 1976, is not changed and that this Electoral Boundaries Readjustment Act remains relatively unchanged, is it not obvious that the same principles of representation for remote and rural regions should apply, especially to Quebec?

All members know that until Quebecers make a decision in favour of Quebec's sovereignty, it is very important that this province maintain a minimum representation of 25 per cent in all federal institutions.

• (1530)

As surprising as it may seem and in spite of all the constitutional mechanisms aimed at protecting provinces that are experiencing a relative population decline, one province has always had fewer seats than its share of the population ever since Canada was born 128 years ago. And, of course, some people will say that the fact that it happens to be Quebec is just a coincidence.

Even the most densely populated province, Ontario, was given several extra members at the beginning of the century and eight extra members after the 1941 census because it was considered to be experiencing a relative population decline due to the rapid growth in the western provinces. I will say however—and this should not come as a surprise to anyone—that Quebec which, at that time, accounted for 33 per cent of Canada's total population did not hold 33 per cent of the seats in this House. And, today, we have trouble holding on to 25 per cent. From 1867 to 1995, we never had extra seats, even when we could have demanded it. Is this double standard really acceptable? I submit that it is not and that it should not be.

I strongly believe that the constitution and the elections acts must reflect the Canadian duality and thus guarantee that Quebec retain a quarter of the members in the House of Commons until the people of Quebec decide otherwise. Beyond party or partisan considerations, this proposal, once again, is true to the traditional demands of Quebec. I remind you that this proposal got the support of the Liberal Party of Canada in the last round of constitutional negotiations. The hon. member for Papineau—Saint-Michel surely recalls it unless he has a very short memory.

It would be a lot wiser for the government to wait a few months before putting this legislation forward or, better still, put it off indefinitely. Let the government deal with this country's real problems. Does it not know that Bill C-69 is going to cost taxpayers an awful lot with its commissions that will have to

travel across Canada? Would that money not be put to a better use or spent more wisely if it were to go for job creation, for example, or for a family policy?

As for the Reform Party, it would like to see a decrease in the number of seats in the House of Commons. The day after the referendum, their wish will be fulfilled. The Liberal government claims that this country needs a readjustment of electoral boundaries. The day after the referendum, their wish will be fulfilled too. In a few months from now, both the Reformers and the Liberals will get satisfaction. After the referendum that we are going to win, do not forget.

• (1535)

As a result, there will be fewer members sitting in this House and Canada will really need a readjustment of electoral boundaries, since Quebec will be sovereign and will no longer be part of a country that, historically—and I dealt with the historical background before question period—has not wanted it. I stated the relevant facts earlier.

[*English*]

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I listened very closely to the comments made by the hon. member and his proposition for 25 per cent of the members of this great House.

I wonder if he is seriously looking at the possibility of forgetting the proposal for separation and instead having a future as part of this great country of Canada. There is no question in my mind that Quebec complements and plays a very important role in the make–up of this whole country.

Is the member now suggesting that the referendum should be put on the back burner and that in the future Quebec should continue to be part of this nation and this House of Commons? Is that why he is putting forward this proposal of 25 per cent? If that is the case, I think it is wonderful the hon. member is prepared to come forward with that. It suggests to me that he and other Bloc members are changing their minds and now realize what a privilege it is to be part of this great country.

[*Translation*]

Mr. Fillion: Mr. Speaker, historical facts from a more recent past will give us the answer to that question.

In 1965, the War Measures Act was proclaimed in Quebec. In the middle of the night, the government of Canada invoked the act. The army, used certain pretexts, supposedly to stop a separatist movement. Five hundred people were arrested without warrant. That is the first fact. The second one is even more recent. It happened in 1981, when the premiers of Canada, once again in the middle of the night, in Quebec's absence, went against what they had signed and accepted the unilateral patriation of the Constitution.

I could also remind the hon. members of the very recent Meech Lake accord in 1987. Everybody knows that one member of this House prevented his legislature from discussing the Meech Lake accord, with the result that everything that had been provided for in that accord was rejected. That member now sits on the government benches.

We could also recall the Charlottetown round of discussions and the way it all ended. It is too bad, but Quebecers will not forget these facts. Bloc Quebecois members will not abandon their option, which is to pave the way to Quebec's sovereignty. Through our efforts here, we will reach that goal.

The only thing we are asking for now, because we are still in this federation, is the preservation of our rights. It is that simple. When Quebecers make a decision on Quebec sovereignty, you will do as you please. When that moment comes, both founding nations will gain something, in my opinion.

• (1540)

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, as I was listening to my colleague's speech, I remembered the mandate we received from the electorate, which is to defend the interests of Quebecers and at the same time to promote sovereignty.

Would he not agree that we have before us a very clear opportunity to fulfil both objectives? By rejecting the amendment which aims to maintain at 25 per cent the representation of Quebec in the House of Commons, the government shows that the Constitution cannot possibly be renewed. The government has not even given us this basic right.

By negating our status as a people, as one of the founding nations of this country, is it not the federal government, and particularly the Liberal members who voted against this amendment or simply abstained from voting, who will be blamed for not protecting the interests of Quebec? Will they not bear the brunt of this decision by the present government, a decision which is in keeping with the thinking of previous governments as well as with the logic of the unilateral patriation of the Constitution in 1982? Is the member not more comfortable with his position than Liberal members in general can be?

Mr. Fillion: Mr. Speaker, the comment made by my colleague allows me to demonstrate that despite the past hundred years, the people of Quebec have matured and are not about to gamble with their future. They will make a decision based on events they have witnessed throughout history.

The people of Quebec have reached a point where they will have to make a decision. Of course, that decision will be to hand the government of Quebec all political and economic powers to allow Quebec to govern itself without having to constantly wait

for actions from this Parliament that never materialize, for instance responsibility transfers that do not come with the required funds.

There is no doubt that we are now at a crossroad. The decision will be made. I am convinced that with the debate to be held in the coming months, a majority of Quebecers will say no to these fruitless battles we have been involved in for too long.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I am pleased to speak to Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, at third and final reading today.

I am pleased to have this opportunity because, although I am opposed to the way the Liberal government has handled the issue, the debate which has taken place around the issue of electoral boundary readjustment has produced some very good suggestions for change. This debate today gives me a chance to comment in more detail than I did earlier this year when I spoke on the concurrence motion that was presented before the House.

Bill C–69 was first tabled in the House of Commons on February 16, 1995. It has been dealt with in committee and is now back in the House for third reading. Bill C–69 repeals the existing Electoral Boundaries Readjustment Act which has been in place since 1964.

In early 1994 the commissions established under the 1964 rules and appointed in more recent years began issuing their proposals for the new electoral boundaries, which they had been working on for months previous. The proposals generated considerable concern and debate, especially since the federal election had just been held and concluded.

• (1545)

In March 1994 the government introduced Bill C–18 to suspend the operation of the Electoral Boundaries Readjustment Act. As originally drafted, Bill C–18 would have abolished the 11 electoral boundaries commissions and suspended the act itself for up to two years. Because of concern that this would unduly delay redistribution—and the Liberal majority in the House of Commons refused to acknowledge this—the other place proposed amendments to suspend the act only until June 22, 1995 unless new legislation was put in place before then and rather than abolish the committees to suspend them until that time.

The bill in front of us today is meant to address those matters. The government is doing what it can to ensure it has full passage before June 22. At the outset, let me say that I will be opposing the bill when the vote occurs at the conclusion of the debate. I will do this because I believe the government is interfering with the independence of what should be a completely non–partisan arm's length relationship between the people of Canada and its politicians.

There is a place for politicians to debate process and procedure and to set rules that will apply in the future. However, in this case the independent process had begun its course and was acting according to its existing mandate when the government unilaterally shut it down and began setting new rules that would be applied retroactively.

With the passage of this bill the new rules will be in place and the work of the many existing boundary commissions, much of it completed after numerous public hearings were held, will be put on the shelf to gather dust. I expect such will be the case of the Saskatchewan Boundaries Commission which for all intents and purposes has completed the work of readjusting the federal boundaries within my province. Because of the provisions of this bill, that commission will likely not be reappointed and Saskatchewan residents will vote within the same boundaries that were originally set for the 1988 general election when the next general election is called.

Political constituency boundaries are like provincial and national boundaries. Despite the fact they are often arbitrarily drawn, they help to recognize economic, social and geographic patterns. They are most easily accepted by the public when they recognize those patterns.

We in Canada have developed a system that is based on a reference to population and changes in these constituency boundaries take place when populations shift. I realize that in a system of representation by population this is an important consideration. I agree with those who, inside and outside this Chamber, argue that it makes no sense for one member of Parliament to represent a constituency populated by 110,000 and another MP to represent a population of 55,000 or less.

Even though each citizen of Canada has one vote in a general election, the votes when counted are not equal. In the case I just outlined, those smaller constituencies require only half as many votes to elect their representative as do those in the larger constituencies. Those representatives in turn vote on matters of concern to all the people of Canada in this House on their behalf.

The boundaries commissioners who are appointed to redraw boundaries when populations change are also charged with taking into account local trading patterns, communities of interest, geographical barriers to movement and local economic conditions. Past experience has shown this has not always been the case. Therefore, changes in the way we do this stuff is important.

To a certain extent this bill addresses a few of the problems we should be looking at for the future. I will address some of those changes in just a moment. First, I think it is important that we do

not overlook the fact that the system is in much more need of an overhaul than this bill provides.

There is talk about the need to reduce the number of members of Parliament. This is a matter I support and one which I think this Parliament should examine in greater detail. There has been much talk about building an electoral system around a couple of different concepts, like proportional representation, or perhaps a preferential ballot. This is another matter I support, the discussion of these different systems of elections. We would be doing ourselves an injustice if we did not pursue that debate as well.

• (1550)

The House of Commons is only one part of what we call Parliament. It is impossible and I think irresponsible to reform one part of this picture without addressing the other. I talked about the other place in my remarks on the concurrence motion.

I want to stress again that as long as we are hitching our horse to an electoral system based completely on representation by population, we must address the problems this creates in regional fairness. We can best address this by reforming the second chamber of Parliament. I support the idea of abolishing the currently unelected and unaccountable Senate and replacing it with a new elected, accountable and certainly more useful second chamber that can address more equitably the grievances of the regions.

These matters are all important to addressing the real economic and social issues facing all Canadians. The government should be prepared to take the next step in this matter as soon as the debate on this bill is complete.

In presenting his report to Parliament the chair of the Standing Committee on Procedure and House Affairs which by and large drafted this bill, the member for Kingston and the Islands suggested that there were a number of problems with the process of looking at boundary changes. For the most part I agree with him. Those problems have to be addressed.

The member for Kingston and the Islands said there was a problem with the beginning of the process. Newly drafted boundaries maps often appeared to the general public as if by magic. For most ordinary Canadians the first they knew there was a boundary change in process was when they saw a redrawn map published in a local newspaper. The new boundaries appeared as if they were a fait accompli, a done deal. The work had been completed. Although public input was sought at this point, to many Canadians this seemed like a futile gesture. Most of the work had already been done.

Changes considered and brought forward in this bill now make the consultation process start earlier. The public will be notified before the boundaries commissions begin the process of redrawing the maps. Public input will be considered at that stage. This is very important and I am pleased to see it included. So much of the work goes on in that early decision making that the role of the public must be considered.

At the same time we know today that the existing commissions are not required to justify their rationale for making the early decisions, those decisions which determine the basis for readjusting the boundaries. The new rules will require the commissions to justify themselves. This is also most supportable.

In our own case in Saskatchewan, the most recent commission made its early decision to give our two largest cities, Saskatoon and Regina, four instead of three seats each. That decision subsequently affected every other seat in the province since there were no additional seats to be had in Saskatchewan.

There were 14 seats before redistribution and there were 14 seats after redistribution. When the commission decided to move two additional seats into the urban environment it meant that two rural seats would basically disappear. On that point there was no public input prior to the decision being made. Subsequently the commission was not asked to justify why the two urban seats needed more MPs and the rural areas needed fewer.

In a historical aside, I think it is worth noting that I found in the history of federal representation in Saskatchewan a very interesting circumstance. If we look at the historical record we note that the first federal election in which the newly formed province of Saskatchewan participated was back in 1907. Ten federal constituencies were contested. In 1907 Saskatchewan had 10 seats out of a total of 221 in the House of Commons. That number fluctuated considerably over the years to a high of 21 seats in the elections of 1924 and 1933 when the House total was 245 seats. Today in a House of Commons of 295 members, Saskatchewan residents are represented by 14 MPs.

If the House of Commons expands to 301 seats, we will continue to have the 14 seats for a while but then we will begin to lose seats, eventually ending up with just 10 again sometime in the early part of the next century. After 100 years of history we will be right back to where we started: 10 seats in 1907, 10 seats in 2003.

• (1555)

I might add that according to Canada's Chief Electoral Officer, if the government ever addresses the question of a smaller Parliament, Saskatchewan will again lose more seats. It will likely end up with no more than eight members of Parliament representing every citizen within its provincial borders. This is more than enough reason for Saskatchewan residents to say that we should make sure that we look beyond representation by population in the second chamber and develop a system that will ensure there is fairness in regional representation.

Going back to the bill, another problem in this mix of existing rules left any sort of national standards for the basis of decision making as non–existent. Every boundaries commission made their own set of rules and set guidelines for how they would adjust the boundaries within their area of jurisdiction.

As a result, there was no consistency across Canada. Some constituencies were created under guidelines which took into account normal local trading, economics, social and even religious patterns. Others were created for population or even for political purposes.

This meant that some commissions made changes that were completely unnecessary. They only did so because they were given the opportunity to make changes on rules they established for themselves. The whole matter of unnecessary changes is crazy. I think the committee has recognized that in proposing changes in this bill.

The changes proposed in this legislation will now make public input more useful, consultation more widespread and boundary changes necessary only when warranted by dramatic population shifts. These are definitely changes that have to be made.

I agree that the role of the public must be strengthened because this exercise is ultimately for them. The boundaries on which MPs are elected have an effect on the type of representation the people within those boundaries can expect or should expect. In drawing up those boundaries the needs of those who will be directly affected must be respected.

I also like the principle of "least amount of change" which this bill proposes, although I do not support its retroactivity. The principle of least amount of change means that no boundaries readjustment commission would be appointed when the population does not warrant it. If there is no substantial population change, then there is no new commission, no new work done to adjust boundaries, no public hearings, no new maps or advertising and with that no new expenditure of public money to create something that does not need to be changed. This is a positive element.

For the benefit of my constituents back home in Saskatchewan, as I mentioned earlier, this likely means that there will be no new map for Saskatchewan's federal boundaries. The Battlefords—Meadow Lake constituency created for the 1988 election and which was in place for the 1993 election will likely remain in place for the next federal election whenever that may be.

In conclusion, let me simply say that the changes presented by Bill C–69 do not justify the suspension of the current process and the discarding of the work of so many commissions that was virtually complete. However, the debate has been worthwhile. The changes will improve the process for the future. At the same time, let us not forget there is that bigger picture to look at, a picture that should include a review of the total number of seats in the House, the concept of proportional representation or preferential ballot and the concept of a second chamber of Parliament that is accountable to the people of Canada.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I listened with interest to the presentation of our colleague from The Battlefords—Meadow Lake. I think that his position was clear and well put.

I would like to ask him a few questions, perhaps two, particularly on the issue of an elected Senate. But before I get into the subject, I would like to justify, just a little, my participation in the debate.

As a sovereignist member of Parliament from Quebec, it might seem strange that I would want to get involved in the representation of Canadians in the House of Commons, but it should be well understood that constituents gave us the mandate to be the official opposition in the House. I think that it would have been inappropriate for us not to deal with this issue claiming that it does not concern us.

• (1600)

It concerns us, first, because of the mandate which we received, as I just mentioned, and also because, in view of the association with Canada that we want to promote, it is in our best interests, as Quebecers, to ensure that Canadian Parliament works in the best way possible.

I would like to remind my colleague, whom I was interested to hear mention that the representation of Saskatchewan's members in Parliament would be reduced in the future, why we, in the Bloc Quebecois, were moved to present an amendment which was defeated by the House. The aim of this amendment was to ensure that, should Quebec remain in Canada, its representation would never drop below 25 per cent.

Why are we insisting on that figure? I think that this 25 per cent is very small if we consider what we have been. When you come into the lobby of the House of Commons, there is the opposition door and the government door. If you look above the opposition door, you can see two medallions. In one of them, there is Louis XIV and in the other, François I.

Above the government door, you notice two English kings. What does that mean? It means that you can see, carved in stone, what Canada was when we entered Confederation. By the way, we entered Confederation on a vote by the Parliament of what was then Lower Canada. There was no referendum. At the time, Canada was a duality, what people used to call the French Canadian people and the English Canadian people. That is how people saw Canada.

In 1982, Canada changed. Canada was a country with ten equal provinces, and in those provinces there were citizens who were all equal, irrespective of their origins, but that is not really my point. My point is that the nature of the country in which we live was changed and it was done forcibly, and, I may recall, by means of a law passed by the Parliament of England. So this is not exactly conducive to good relations between peoples, and

when I say peoples, I am referring to the people of Quebec and the people of Canada.

The hon. member for The Battlefords—Meadow Lake rose to complain that Saskatchewan would have fewer members. As members from Quebec, we also rose to complain about this eventuality, and the House of Commons ignored our complaint. We protested on the basis of our historic responsibility as the homeland of French Canadians. Today, French Canadians call themselves Quebecers, possibly to the dismay of some people in English Canada.

And now my question is about the Senate. The hon. member for The Battlefords—Meadow Lake suggested, to compensate for the decrease in representation of the provinces, an appointed or elected Senate that would act as a kind of counterweight to the fact that the House of Commons would then perhaps represent more ridings and the Senate would then represent the provinces and play a kind of protective role.

Considering his experience in the House of Commons—the hon. member is an experienced member of Parliament who was here throughout the Mulroney era—does he really believe that in the present situation, Canada will ever achieve the kind of constitutional reform that would allow for making changes in its institutions?

• (1605)

[*English*]

Mr. Taylor: Mr. Speaker, there are a number of comments within the member's question to which I would like to respond.

I will start by addressing the question because the answer is quite simple. I am a great optimist. I believe that people can work together and reach compromises that will be acceptable to most Canadians.

We have built an entire heritage of doing that. We are in the process of reaching agreements with aboriginal people that I wish were further along in process than they are today. We are reaching that point and I know we will do so with the province of Quebec, its people and its leaders as well.

I have no hesitation in saying that when we share the will we will share also the dream of developing a political system that we can all work with and live under.

At the same time, in approaching his question the member made the comment that the Bloc Quebecois is playing a role as the official opposition in the House of Commons. He talked about the Bloc Quebecois ensuring that Parliament is as effective as possible as the official opposition. He implied that the Bloc Quebecois therefore was able to represent the interests of Saskatchewan people because they are the official opposition. I do not think anything can be further from the truth.

After 18 months in office, the present government enjoys unprecedented popularity among the Canadian people. It is not for anything that the government has done. It is because the ineffective opposition is not communicating to the Canadian people the devastation that the policies of the government are creating on the people of our country.

Nothing could be more clear than the policies that are affecting the people of Saskatchewan. The elimination of the Crow rate in any other Parliament in our history would have been a raucous debate in this Chamber. There would have been members yelling and screaming from their chairs. They would have done everything within the rules, within their power, to prevent the government from changing the Crow rate, which devastates the rail transportation system and the agriculture system in Saskatchewan.

We have completed, over the last couple of days, debate that implements the changes to the Crow benefit. There were 23 Bloc speakers on the bill that changes the government's relationship with Saskatchewan farmers. Of those 23 Bloc speakers, not one defended Saskatchewan's interests on the Crow rate. In between these debates, the Bloc even introduced a motion stating that because of the minuscule payout to the Saskatchewan farmers in compensation for this huge program they have lost, Quebec was somehow discriminated against in the process.

That is not an official opposition representing the interests of Saskatchewan people. That is not an opposition that is going to bring the people in any part of the country to the conclusion that the policies of the government are wrong for all Canadians.

Until we have an effective opposition in the country composed of people who care about all of Canada, the government is going to continue to have undeserved popularity.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is my pleasure to rise to address Bill C–69.

Bill C–69 really has not received much news coverage. On the face of it, it is a technical piece of legislation completely lacking in sex appeal.

At its essence, it can be an important bill for a couple of reasons. First, it points beyond itself to the desperate need to bring about some reform of the Canadian parliamentary system. It points to some of the flaws that we have in our system today. It should be scrutinized, regarded and debated in the context of overall reform of the Canadian parliamentary system.

The bill will find opposition among three different groups of people. It will find opposition among people who believe in real representation by population. It will find opposition among people who feel that we are already over–governed to a great degree. It will find opposition among people who disapprove of the idea of granting power to unelected and unaccountable bodies like a boundaries commission.

• (1610)

First, let me talk about representation by population in the context of the reform of the whole parliamentary system. Reformers believe in the idea of absolute representation by population. In other words, to the greatest degree possible constituencies should have the same population.

However, as a counterpoise to that, to balance the idea of constituencies which perhaps would congregate in heavily populated areas, we have to have a triple–E Senate. It should have an equal number of senators from each province; it should be an elected Senate and it should be an effective Senate. It is something that our party has been fighting for since its inception in 1987.

We are proud of the fact that we are the only party that has ever elected a senator. The late Stan Waters was elected in the Senate election of 1991 in Alberta and was subsequently appointed to the other place. That could have been a very valuable way to start the trend toward a triple–E Senate.

That system would probably give some regions, such as Alberta and Saskatchewan, as my hon. friend from The Battlefords—Meadow Lake has just talked about, and other regions of the country some representation and protection from the tyranny of the majority that we have found when we have a pure representation by population system in a country that is as geographically large as Canada.

Reformers believe in the idea of representation by population because it underscores a commitment to the idea of equality before the law. It is a very important concept which, to some degree, has been forgotten in the past several years. It has been superseded by a different type of equality which governments have come to believe in, that is, the equality of outcome. All Canadians want is equality of opportunity, and they would find that, to a large degree, in a system that had absolute representation by population, along with a triple–E Senate. It is is a very pragmatic concept, a concept familiar to countries which have large geographical areas, such as the United States and Australia.

It is a pragmatic idea because it prevents countries which are big and sparsely populated in some areas from falling apart. In a country as large as Canada, we have very disparate points of view and divergent interests. Sometimes, certainly under a pure representation by population system, those ideas that we find in different areas of the country would not be adequately addressed in a House of Commons, for instance. We need a counterpoise to that and that is why Reformers are big supporters of a triple–E Senate.

Bill C–69 gives us neither of those concepts; certainly not representation by population and definitely not any kind of change that would give us a triple–E Senate. In fact, it offends the principles that underlie both of them.

One of the things that Reformers find hard to deal with is the 25 per cent variance regulation in Bill C–69. It means that constituencies can vary in size by 25 per cent from the mean. That could lead to discrepancies of as much as 67 per cent in population size between constituencies. That is a huge difference in population size. It permanently dispels the idea that we can have equal influence for our votes in a Canadian system.

That may be a quaint notion to a lot of people in this place, but I would argue that people back home very firmly believe in the idea that each vote should carry the same weight. We would argue strongly that the government has to begin to move that way. That is why the Reform Party has suggested, at least, to amend the variance to 15 per cent between constituencies. If we did that, it would mean that, at most, we would have a variance of 35 per cent in populations between constituencies. That is not perfect, but it certainly brings us closer to the idea of representation by population until such time as we can have constitutional reform that can address some of the real problems that affect the Canadian parliamentary system.

• (1615)

As I mentioned a minute ago, I think people feel we are already over governed. I remind members of an article in that ubiquitous journal that sits on just about everybody's night stand, *Readers Digest*. About a year ago there was an article about how much money is spent on governing Canadians, how much it costs to run Parliament. When I think of that article I cannot help but think of our unelected Senate and the people over there who sadly do not enjoy the confidence of Canadians, and how at times they have not displayed the type of conduct we would like to see from all parliamentarians. I specifically think of the GST debate.

It is necessary to make those people accountable. If we had a triple–E senate it is entirely possible that we could trim the size. Reform has called at various times for Senate reform that could possibly leave us with six senators from each province. Some people have suggested we only need two from each province. We look to the American example and we can see they can get by with two senators from states as large as California, which has a population almost as large as Canada's. Somehow they manage to make that system work. One thing that could be done is trim the number of senators.

A lot of people would agree with me if I said there are a lot of backbenchers in the House we probably could do without because there is not always enough meaningful work to go around. I mean no disrespect to any particular backbencher. However, in a private moment if they were true to their heart of hearts, many backbenchers would acknowledge we could probably get by with fewer members of Parliament and still do the essential work required to make the government run.

The article mentioned it costs somewhere in the order of $770 million to run Parliament. If we could get the number of members of Parliament to about 265, as Reform suggested, it would still leave constituencies of a size allowing members to deal with the concerns.

If we could get the size of the Senate down, make it effective, elected and equal, it would have the confidence of the people and could serve a necessary purpose and perhaps go a long way to healing some of the wounds that divide the country.

Concerning boundary commissions being given a lot of power to make changes, I am concerned about that and Canadians should be concerned about it as well. It is conceivable that power could reside simply in the statues for the government to administer.

The boundary commissions people are unelected and unaccountable. They have the power to set boundaries. I would not suggest they have this in mind but if they wished they could do a tremendous amount of mischief with the boundaries. It has been suggested by other members that has happened in the past, that boundaries were drawn somewhat arbitrarily because of political and other reasons that really do not have anything to do with the proper function and the proper way representatives and their areas should be chosen. That bothers me.

We need to move away from that to the greatest degree possible and enshrine in statutes more precisely how rules should work so there would be less latitude for unelected, unaccountable bodies to change the boundaries to suit either their own needs or perhaps the needs of their political masters.

In Bill C–69 we see the tremendous latitude boundaries commissions have to make exceptions to the 25 per cent variance rule by allowing them to exempt certain constituencies. In the past this has applied to very large constituencies. There is nothing in the rules preventing boundary commissions from making exemptions for constituencies that are not as large.

• (1620)

Reform would like to propose bigger changes which would require a different forum and a different debate. In the context of this bill we would like to see a rule that would put a limit on the minimum size of a constituency that could be exempted on the schedule. We are suggesting somewhere in the range of 200,000 or 250,000 kilometres. We are concerned that as long as it is left open, we will see MPs from various areas of the country coming forward, lobbying to have their boundaries exempted, not for any good reason, but because they want to keep their boundaries for very political reasons.

I point to the reason we are here discussing Bill C–69. There was a very unseemly scene not too long ago when the boundaries came out under the current bill. MPs from the government and the Bloc were running to the government saying: "Please do not change my boundaries. It will ruin my chances for re–election". It stopped a situation in which we already had a process underway to draw new boundaries.

Reform constituencies were very much affected by this. The member for Beaver River, the deputy leader of the Reform Party, was to lose her riding altogether. Nevertheless, Reform did not squawk about this. Members across the way and in the Bloc squawked, made a big deal about this, made sure their own interests were protected at the expense of Canadian taxpayers and at the expense of slowing the entire process down, forcing it back into the House under new legislation, tying up members' time to deal with this once again. That is entirely inappropriate.

The government has made a grave error. It has gone to great lengths to protect its own interests as it has done with other issues like MP pensions. For once it would be nice to see the government put the interests of its constituents and of the people of Canada ahead of its own interests. That is all Canadians want.

That whole unseemly situation gave birth to Bill C–69. It is why we are here today. What Canadians really want ultimately is a complete change to the underpinnings of the Canadian system. They want representation by population. They also want a triple–E Senate which would go a long way to giving the regions representation and in healing some of the wounds as a result of a faulty system today.

A fair and transparent democratic set of institutions is all Canadians want. The government and Bill C–69 have failed to give them that. For that reason I will not be supporting this legislation.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am a little curious as to something the member said. He referred to the schedules in the bill whereby members could apply to have their ridings exempted from redistribution because it would be included in the schedule.

Is he aware that in committee that section of the bill was removed?

Mr. Solberg: Mr. Speaker, I cannot speak directly to what the hon. member has referred to, but my concern is that we will have members and their delegates arguing before boundary commissions for exemption and that will tie up the whole process.

We have already seen how members have run to the government to have the whole system changed at great expense to the Canadian taxpayers. I am concerned there might be loopholes that would allow government members and other members, from the Bloc for instance, to continue that.

• (1625)

Mr. Boudria: Mr. Speaker, with respect, the member has not answered the question.

Is he not aware the section to which he refers whereby Bloc members, Liberal members or any member could ask to have their riding put in a schedule either because it is too large or for any other consideration is not there? The last section of this bill is entitled coming into force, section 40. The previous section to add to this schedule was removed at the committee by unanimous vote, including the Reform members who sit on the committee.

Given that is the case, surely the member will understand the whole premise of his speech today is wrong. Given that all of that was wrong, should we now conclude he is now in favour of the bill because the whole premise by which he thought the bill was wrong is not there? It was removed several weeks ago in the committee on a motion by a committee member and approved by all other committee members.

Mr. Solberg: Mr. Speaker, I reject the hon. member's premise. Obviously I addressed many points in my speech. The hon. member across the way has not addressed the concern I raised that there be a minimum level at which exemptions would not be permitted, 200,000 to 250,000, somewhere in that range. That is what we are calling for.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I want to comment on a regrettable aspect of the Reform member's speech, namely the denigrating of an MP's work.

The member started by saying that the choices made by Canadians were not all good ones. This is tantamount to insulting voters. Then, he criticized the number of members. These are facile comments. Indeed, regardless of which side members sit in this House, regardless of their option, the fact is that, as with any group, some people are more efficient than others. However, the overwhelming majority of members put all their energy into their work and try to do a good job.

The member also indicated that we try to protect the interests of our individual ridings. I categorically object to that statement. When representations are made, at any stage, it is always with the public interest in mind, to ensure that voters are adequately represented and to also ensure that certain criteria are taken into account.

I will end with a question which expresses my astonishment. The Reform member, as well as the NDP member who preceded him, both feel that a constitutional reform is essential. Do members not realize that, since the failure of the Charlottetown accord, it is no longer possible to reform the existing structure?

[*English*]

Mr. Solberg: Mr. Speaker, I reject the idea there is no possibility of constitutional reform. Canadians by and large want to ultimately change the system and there will be a day in the not too distant future when they will be ready to discuss that. Perhaps that is a little wishful thinking on behalf of the member from the Bloc Quebecois who would like to separate. Sadly for him that will be denied in an upcoming referendum which they surely will lose due in no small part to the ineffectiveness of the Bloc Quebecois to represent the constituents of Quebec.

Perhaps he has made an argument for me that certain backbenchers have not been effective in putting across the views of their constituents very effectively.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I simply want to ask a question to the hon. member, but first I would like to make a short comment.

After hearing the hon. member's speech, I think I can see the difference between Reform and Bloc members. I feel that Reform members represent taxpayers, while we, Bloc members, represent citizens.

It is often said that citizens do not want their riding to change, or that their member makes representations on their behalf to preserve the boundaries of the riding. That is because the member recognizes that these people feel a sense of belonging to their riding.

• (1630)

People get attached to their riding, which is represented by a member of Parliament. Often, they will have created a sense of community in that riding.

To think strictly in terms of numbers when establishing the boundaries of a riding would be to make the same mistake as in 1982, when the Canadian constitution was changed and when the country's ten provinces, whose populations are far from being equal, were said to be equal. That created an artificial country.

I believe that, given the attitude which frequently prevails when setting electoral boundaries, we create artificial ridings which do not mean anything special. It is as though Canada was a big cake cut into pieces, with the hope that these pieces will somehow be equal. You simply cannot do that with a country. You cannot overlook the sense of belonging.

I ask the hon. member: Does he not think it is important to take into account the voters' sense of belonging when redefining electoral boundaries?

[*English*]

Mr. Solberg: Mr. Speaker, certainly I recognize there are differences from community to community. To the greatest degree possible boundaries should recognize this and try to embrace communities where there have been traditional boundaries.

However the first principle, the driving principle in my judgment, has to be representation by population. At the end of the 20th century we do not yet have a political system that either serves people on the basis of representation by population or contrarily has a counterpoise through a triple-E Senate. It is time that we started to move toward that.

In our amendments to Bill C-69, the one that called for a 15 per cent variance would have given us a closer system. That has to be the first principle that drives any changes to the boundaries. The second principle should respect trading areas and things like that. We agree with that absolutely. Let us not make that the first principle.

Canadians are democrats first and foremost. I think they would like to see a system that is based on a more democratic type of system.

[*Translation*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Burnaby—Kingsway—Turkey; the hon. member for Bourassa—Immigration.

Resuming debate. The hon. member for Kamouraska—Rivière-du-Loup.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, at the start of this the last statement on this bill, I would like to identify my reasons for opposing it.

First, the Bloc Quebecois was elected to defend Quebec's interests and to promote sovereignty. Personally, as a member, I said, obviously, that I wanted to protect the interests of the people in my part of the country.

When the electoral map is to be redrawn resulting in the disappearance of one of the five ridings of eastern Quebec—be it Gaspé, Bonaventure—Îles-de-la-Madeleine or Matane—Matapédia—or a change to the riding of Kamouraska—Rivière-du-Loup or Rimouski—Témiscouata, I believe it is important that all members of this House understand the need for legislation permitting true representation of the people, one that would not be simply based on a mathematical computation.

To this end, while we have been in this House, we have made representations to the electoral boundaries commission, we have spoken during second reading, we appeared before the standing committee. After all that, I would once again ask people to make sure that consideration is given to a region's natural configuration in the make-up of federal ridings, if the federal map is to be used again.

• (1635)

I gave as an example my riding of Kamouraska—Rivière-du-Loup. If the electoral map were ever changed, I would like the people in the RCMs concerned to be asked what riding they would like to be in in order to be sure that people are where they want to be and not stuck somewhere as the result of mathematical or geographical calculations that have nothing to do with reality.

When changing electoral boundaries, we are reminded of the past a bit—very large ridings across Canada with a scattered population that is difficult to reach. In the past, there have even been protected ridings in Quebec to ensure better representation for anglophones in the Eastern Townships. However, when we consider the electoral map as one of the tools of democracy for the future, we must ensure it provides for better representation and that it is an effective tool for the exercise of democracy.

I have been a member for a year and a half. I think all members of this House think the same way. The work here is apportioned fairly well. Whether we come from a large or a small riding, area-wise, our work is quite similar. However, it is another matter when we are talking about our work in our ridings. Some ridings are located right downtown, a few streets away from each other, whereas the one I represent encompasses a total of 55 municipalities. There are even ridings with 80 municipalities. This all affects the work of MPs and the way they will go about doing it.

The number of municipalities is not the only issue. We should also consider the extent to which government services are spread out in a riding. MPs must try to compensate, particularly in rural areas. In major centres, all of the government services can be found; people in those ridings can always find the office which can provide them such and such a service. But for people in rural areas, the MP's office is often the only resource they have to help them locate the government services they need. The workload, therefore, is heavier and when a riding is particularly large, this obviously has an impact on the amount of work to be done.

Therefore, it is very important that we take into consideration the size of the territory covered if we want to ensure that MPs will be able to represent their electorate well. They must also be able to see their constituents regularly.

Other important factors which must be taken into account are activity and industrial sectors. For example, this week, we had an opposition day on agriculture. If we move closer to basing representation purely on demographic considerations, the impact of the agricultural sector will be reduced, the impact of MPs representing such ridings will also be reduced, and even society as a whole will be negatively affected because agriculture has an impact on the population as a whole.

Therefore, we must ensure that we continue to be able to take into account this kind of sector. That is why it seems to me that the current bill lacks nuance and subtlety in the way that the boundaries of ridings can be determined. That was one aspect that I wanted to discuss, but there is another—and it was perhaps the greatest disappointment during the entire consideration of the bill—the Liberal majority's refusal to grant Quebec a minimum of 25 per cent of all of the seats in the House of Commons.

I equated this behaviour with someone slamming the door on another person, an egotistical act committed by the majority and a sort of negation of the fact that Canada has two founding peoples. Initially, in this House, two founding peoples created this country. Through immigration policies and the way that the provinces were created, Quebecers, the first explorers of this vast continent, will become a smaller and smaller minority as time goes by if they choose to stay in Canada, a choice which will mean that they will be a minority without any real impact compared to the position they have had in North America for centuries.

• (1640)

I believe that this tendency to reduce Quebec to a minority reflects the same attitude that gave us the unilateral patriation of the Constitution. There is some consistency there. In the same way as Quebec Liberal members were not very proud of patriation in 1982—and were reminded of that during the 1984 election—the Quebec people told them that they were not very pleased with their vote on this amendment. We were very surprised to see Quebec Liberal members vote against our amendment which, basically, was to guarantee a minimum representation in the House.

I believe that it is something that all Quebecers will remember for a long time. They will remember it, in particular, when they have to decide whether they want to become a country or not, and one of the reasons for their choice will be that they have no hope of regaining the place they had in this country, given that they are refused even this small guarantee of survival.

The refusal to make the Magdalen Islands a special case, and consider it a separate riding, is another disappointment, even if it does not have the same national significance. This shows a lack of sensitivity and in that regard I should mention that the Quebec Electoral Law considers the Magdalen Islands as a separate riding, outside the norm for other ridings. At the federal level, this riding has existed in the past, but later the islands were joined with either Gaspé or Bonaventure.

This puts the member who represents this area in a very awkward position, since there are very distinct interests. This is clear when you consider the territory to be covered and the isolation of the place, and also when you consider its relationship with other Canadian communities surrounding the Gulf. I find the decision not to recognize the islands as a separate riding regrettable, because a member representing solely the islands could have made a very interesting contribution. This does not mean that there could not be in Canada some other exceptions of that kind, which could be given special recognition.

The reason I am against this bill is that the provincial commissions which will be established to readjust the electoral boundaries will have to apply the three following criteria: community of interest, reasonable size, and significant population increase over the next five years. This is the exact opposite of the argument I presented to the committee when I said: "Would it not make sense, when considering eliminating a riding, to give it the opportunity to continue being represented in the House of Commons until the next census and, if it shows that the population is still dropping, to eliminate it then but only then?"

The situation is reversed; for a riding to be exempt, one must forecast a significant increase in the population of the area over the next five years. This flies in the face of regional development. For instance, eastern Quebec has seen its population drop for the last 10 to 15 years as a result of deliberate policies on the part of centralizing governments which have pushed people to leave the area in search of a job.

For the past few years, all the economic stakeholders have been working hard to reverse this trend. It will take a few years. Demographers say that it will take another 10 years, if the measures being implemented are successful. But, if in the meantime, you take away their ability to be represented, you are thwarting the efforts of the people who want to develop that particular part of the country.

Therefore, I believe that electoral boundaries commissions should have to consider other criteria over and above the three I already mentioned, namely: community of interest, reasonable size, and significant population increase over the next five years.

• (1645)

I have already listed them, but the main ones are the economic profile of a region, its size, the number of municipalities of which it is comprised and geographic unifying factors. These are all factors that should be considered and would, in my

opinion, make for a more balanced definition of electoral boundaries.

So, if you apply to the five electoral districts in Eastern Quebec the rules contained in the bill as it stands, you inevitably end up with a higher rate of depopulation and conditions unfavourable to building a new rurality. This situation is not unique to us. Every region in Canada is similarly affected, and I think the government should really be responsive to this.

In conclusion, after following this bill as it went through several stages, I think that it should be defeated because the government did not fulfil the mandate it should have given itself, that is to ensure that all citizens of this country are adequately represented on the electoral map and that this map will promote a more participating democracy.

One more thing, and I will conclude on this. I think it is very important to make sure that the cost of our democratic mechanisms are well within reasonable limits and that this is probably the least expensive system allowing us to achieve interesting results. Under the present circumstances, the government could have come up with a better mechanism and I think that it would have gained from listening to representations in that regard.

I hope that the people of Quebec will be able to clearly see that, in that regard, the Bloc fully carried out its mandate to protect the interests of Quebecers and respect the choice they will make in the referendum. Either way, they will have been represented in this place by members who will have done their utmost to ensure adequate representation.

As we examine electoral boundaries, we also notice duplication in the representation provided by members of Parliament. In the day–to–day work of members, there is clearly duplication resulting in additional costs to the government. There is also, in a way, unhealthy competition between provincial and federal members of Parliament, which does not promote efficiency in the system. I think this is one of the main reasons why a majority, the vast majority of Quebecers condemn the federal system in its present form and have been trying for 30 years to change it and make it better, but the actions taken in recent years have shown that this is impossible and that the only way to get things moving again is to vote "yes" in the referendum to make sure they are in control of their future.

[*English*]

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I listened very carefully to the comments of my hon. colleague across the way.

"Slamming the door in our face" I think was the terminology he used for not immediately agreeing to providing 25 per cent of the seats in this House for the province of Quebec. I suppose many Quebecers, and indeed many other Canadians, consider that the separatists from Quebec who propose separating from Canada are slamming the door in other Canadians' faces.

We are adults and should resolve our problems as individuals and as a country through serious discussion, through caring and sharing our thoughts and ideas with all areas of this great country. It would certainly be childish to suggest that one needs four or five strikes and then, like children, take the ball and bat and go home.

• (1650)

In this particular case, my hon. colleague across the way noted some of the concerns he and perhaps others have had. We could sit down and cite, back and forth, historic concerns probably for several days and weeks. However, we have to take a point from where we are today and move forward. We cannot move forward and accomplish our goals when we have such things as a referendum and separatists and separation hanging over our heads. What we really need is an opportunity to sit down and, with serious discussion, negotiate where this country is going in the future.

I compliment my hon. colleague across the way for even suggesting that. The fact that they are talking about whatever percentage of seats in this House indicates to me that indeed deep down they are looking to stay in Canada and to stay in this House of Commons.

[*Translation*]

Mr. Crête: Mr. Speaker, I do not know where the hon. member heard that I chose to stay here. I think that it is quite obvious from our approach and our desire to stay until the end of our mandate. I think that it is quite obvious given the number of times we showed that we favoured sovereignty and that we want Quebecers to make that choice in a democratic fashion.

However, on the issue of the bill before the House, it is interesting to note that it is not the official opposition in Ottawa that asked for the 25 per cent. The Leader of the Opposition in the Quebec National Assembly, who is the leader of the Quebec Liberal Party, proposed that the Quebec National Assembly reiterate its objective of keeping at least 25 per cent of the seats in the Canadian House of Commons for Quebec and call on the Quebec government to make representations to that effect.

This reminds me a little of the type of consensus we see on the issue of jurisdiction over manpower. It is the kind of unanimous opposition we in Quebec can summon against this. It is the Liberal majority in this place that voted against giving Quebec 25 per cent of the seats in the House of Commons. It is the kind of results we will keep in mind.

The official opposition in Quebec agrees with the official opposition in the House of Commons in this regard. The Quebec government wants to assume that responsibility, to ensure that minimum level of protection. I think that there is a consensus the Liberal majority must face.

We must be able to hold serious discussions in an effort to address the problems. My father told me that, long before I was born, electoral boundaries were imposed on Quebecers even though 80 per cent of them voted against them.

Later, the Constitution was patriated unilaterally without the agreement of the Quebec government under Mr. Lévesque or of the federalist governments that followed. We are still living with this Constitution today but the Liberal majority does not have a problem with it just because one of the provinces did not sign the agreement, and that is very difficult for us to accept.

However, I did like one element of the presentation by the hon. member across the way. He said that we should sit down and negotiate. I think he should speak with his leader and all Liberal members because it is obvious that the leader of the government has repeatedly denied the need to amend the Constitution.

It is clear that the current Prime Minister is trying to make Quebecers forget their own reality by providing good government for both Canadians and Quebecers. According to the figures we got earlier today, we are for the first time in 125 years the province with the largest number of poor people in Canada. This kind of situation calls for fundamental changes. If the system has produced such results for 125 years, the only solution, in my opinion, is to get out.

Some hon. members: Hear, hear.

• (1655)

The Deputy Speaker: As no other speaker wishes to ask a question or make a comment, we will resume debate. The hon. deputy government whip.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, most Quebecers do not agree with the position of the last speaker and obviously do not want to leave Canada. This is why Quebec separatists have postponed the referendum.

I would also like to remind the Bloc member that Quebecers rejected the constitutional amendments that would have guaranteed them a percentage of the seats in the House of Commons.

Mr. Speaker, before I continue, I want to point out that I will be sharing my time with the hon. member for Glengarry—Prescott—Russell.

[*English*]

It is a pleasure to have the opportunity to speak on this bill. It really is an extremely important bill, which deals with how we as Canadians determine how we will be represented in our House of Commons.

While I have had the privilege of being a member of the committee on procedure and House affairs, which dealt with this bill, I joined the committee only part–way through the process. I am aware that the members of that committee spent a great deal of time on it. It was an innovative process in that it was the first time a committee fulfilled a mandate that we as a government promised to give members of the House of Commons, as members of committee, to actually initiate legislation, to bring legislation forward to the House from the members of this House as opposed to from the government.

I want to compliment those members of the committee who have been on this project since the beginning for the excellent work they have done and the detailed consideration they have given to all aspects of this bill.

I said it was an important bill and it is. It deals with how we are represented democratically as Canadians. That is a very difficult issue in a country like ours, which is so disperse, so disparate, so diverse geographically and demographically.

We have huge concentrations of people in urban centres such as Montreal, Toronto, Vancouver, and yet we have huge and vast expanses of the country with very little population, with very little opportunity for people to have direct contact with their elected representatives.

One dilemma the committee faced was how to deal with equal representation by population for people in very concentrated areas and in very dispersed areas.

It is not an easy challenge. One has to recognize that representation by one's elected representative is more difficult when the member of Parliament has to travel perhaps thousands of miles even to see the parts of his or her constituency. One may have a very small population in a vast northern riding or in a riding such as Labrador and still have less contact with one's constituents than with a much larger population in an urban area that is much more compact.

• (1700)

The committee has proposed some innovative ways of ensuring when riding boundaries are decided upon. Of course they will not be decided by us but by independent commissions. However those factors will be taken into consideration. The very unique nature of this country will be taken into consideration. Ridings will be constructed so that people are equally well represented regardless of geography, dispersion of the population, sparsity of the population, or concentration of the population.

I did want to speak about the whole concept of community of interest. That very clearly is a factor many of us felt was not adequately respected in the previous report of the electoral boundaries commissions, a factor that I feel has been tremendously strengthened in the legislation now before the House.

One must not only look at numbers when deciding on ridings, how large they are and what their boundaries are. One must look at the commonality of interests in the people to be represented by the same member of Parliament. Do they identify themselves as a community? This is probably nowhere more important than in deciding what groups of people are going to be represented by

the same individual. Of course, there will always be diversity and differences within any community no matter the size.

It is extremely important that when members of Parliament walks into this Chamber to represent their constituents, they do so for a group of people who feel they have something in common. They identify themselves as a community historically or by virtue of common interests.

I also want to respond to some comments that have been made about the 25 per cent representation. Members from the Bloc know very well that what they have talked about this week cannot be achieved except by constitutional change. To pretend anything else is simply not being straightforward with people.

I do not think we could identify a handful of people in this country who want to go through the turmoil of talking about constitutional change again. There are so many bigger and much more important issues which touch the lives of people daily.

People have contacted me asking why we cannot have a much smaller House of Commons. That is certainly an option. Again, it would require a constitutional change because of minimum representation which is guaranteed to some of our smaller provinces.

I also tell people it is entirely possible to have a very much smaller House of Commons but we would lose something in doing that. Canadians would lose much closer and more personal contact with their members of Parliament.

The people I have talked to value the ability to be in personal contact and have a personal response from their members of Parliament, when they want to discuss an issue with them or have a problem resolved or have recommendations for government action. This is extremely important to Canadians. Coming back to the first point, it is extremely important given the diversity of this country. Therefore, people should be cautious when they suggest we have fewer elected representatives. They would also then have more remote representation.

Mr. Speaker, I only have a few seconds left. Therefore, I move pursuant to Standing Order 26:

> That the House continue to sit beyond the ordinary hour of adjournment for the purpose of considering Bill C–69.

• (1705)

[*Translation*]

The Deputy Speaker: Would those members who object to the motion please rise in their places.

And more than 15 members having risen:

The Deputy Speaker: More than 15 members have risen, pursuant to Standing Order 26(2), the motion is deemed to have been withdrawn.

(Motion withdrawn.)

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I was listening closely to the parliamentary assistant and I thought it was rather presumptuous of her to state without any doubt that Quebecers do not support the theory of Quebec's sovereigntists. Although it is true that Quebecers rejected the Charlottetown agreement which kind of guaranteed Quebec 25 per cent of the seats in the House of Commons, I want to point out to the hon. member that English–speaking Canadians and the residents of the rest of Canada also voted against the agreement.

So, she should not blame us for the failure of the Charlottetown agreement. I would also remind the hon. member that her leader, the current Prime Minister of Canada, warmly welcomed in his party the man who torpedoed the Meech Lake accord. I also want to take this opportunity to say to the hon. member that it is not because the sovereignty option is currently down in the polls that one must conclude that Quebecers support the federalist option.

I think that, for various reasons, but mostly because of everything that is going on, because of previous threats they have received, because of fear–mongering, Quebecers are reluctant to opt for this avenue, but remember that a marriage run by fear is not a happy one. The hon. member should remember this, because with the growing debt and the deficit they will never get rid of—although they will never admit to it—one day they will have to say to Quebecers: "Please, leave. We are no longer able to afford to be so big, so fat. We can no longer afford all this splendour".

This will quickly put an end to the member's rejoicing. So, I would ask her to be a little less presumptuous and to tell us what is wrong with giving Quebecers 25 per cent of the seats in the House of Commons, when they used to have, at the very beginning of Confederation, almost 50 per cent of them?

I want to remind the hon. member for Glengarry—Prescott—Russell that Confucius said that the hen has no business ruling the farmyard.

Mrs. Catterall: Mr. Speaker, it would be easy to play on the word sovereignist and claim the support of a majority of Quebecers.

• (1710)

But after yesterday's declaration it has become clear that there will not be a referendum before next fall and that separatists are afraid of what Quebecers might decide. It is very clear that they want a sovereignist interpretation which would please Quebecers.

But the truth is that they constantly avoid the real question, which is separation. They want to avoid a clear definition of their aim, which is separation, and they do not want people to know that they are separatists. It is a very clear question. I do not understand the problem with asking the question right now.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am happy to have such a large audience and to see all the members of the Bloc who are eager to hear my speech, which will lead them to vote in favour of Bill C–69. They are all here in front of me.

Let me begin with the member who has just taken us back to Confederation and talked to us about the representation in the House of Commons in 1867. One does not have to be a great historian to know that, in 1867—The member, who knows his history, knows perfectly well that the Union Act, 1840 and the British North America Act are not the same thing.

Anyway, at the time of Confederation in 1867, there were in fact three regions. There were, of course, 24 seats for what was then Upper Canada, 24 seats for Lower Canada, and 24 seats for the three maritime provinces, that is ten for New Brunswick, ten for Nova Scotia and four for Prince Edward Island.

We all know that Prince Edward Island chose not to enter Confederation at that time and joined a few years later. So, New Brunswick and Nova Scotia each had 12 seats; 12 and 12 are 24, right? Twenty–four for Quebec and 24 for Ontario. For a member to claim that Quebec had 50 per cent of the seats in 1867 is the opposite of the truth, as Sir Winston Churchill and his parliamentarians said so well.

Those are the facts. With all due respect, the hon. member opposite does not know what he is talking about. Twenty–four out of 72 is not 50 per cent. Our friend who wants to leave the room, no doubt on very urgent business, should know better.

Mr. Benoît Tremblay (Rosemont, BQ): Mr. Speaker, I think there is some laxness in the negative turn of phrase used to avoid using unparliamentary language. There is a lot of laxness in the content of the hon. member's speech; I hope there will not be as much in his vocabulary.

The Deputy Speaker: I too heard language that came very close to being unparliamentary. I would ask all hon. members to respect the rules.

Mr. Boudria: I will go on, after being interrupted by a Bloc member. Another Bloc member claimed today in a speech, and again this was not what actually happened, that it was because of certain federalists here in Ottawa, and only because of them, he said, that the War Measures Act was invoked during the October crisis.

• (1715)

I have here some excerpts from a letter I would like to quote to relate certain facts: "Under the circumstances, on behalf of the Government of Quebec, I request that emergency powers be provided as soon as possible so that more effective steps may be taken. I request particularly that such powers encompass the authority to apprehend and keep in custody individuals who, the Attorney General of Quebec has valid reasons to believe, are determined to overthrow the government through violence and illegal means". And it goes on.

I read further on: "The chief of the Montreal Police has informed us that the means available to him are proving inadequate and that the assistance of higher levels of government has become essential for the protection of society", etc.

Of course, I was reading from a letter the Quebec government of the day wrote to the Canadian government at the request of the Montreal chief of police. I do not mean here to defend or criticize the War Measures Act, but I want to tell members opposite that when they talk about the War Measures Act, they should tell the whole story instead of hiding half the truth the way they so often do.

Earlier today, we heard members across the way say they reject this bill even if they unanimously endorsed it in committee. They changed their mind along the way because one of them saw fit to move this motion to ensure Quebec will never have less than 25 per cent of seats in the Commons. Those same members opposite keep whining, like one of them is doing now while I am speaking. They tend to forget that they opposed the Charlottetown accord that gave that kind of assurance.

Mr. Leroux (Richmond—Wolfe): It was rejected everywhere.

Mr. Boudria: It is not true. I am sorry but in French–speaking areas outside Quebec, in my own riding, 70 per cent of my constituents supported the accord. The hon. member across the way says it was rejected everywhere, but it is not true. Obviously, the accord did not pass, though. But when I hear Reform members demanding an elected Senate, something they rejected in the Charlottetown accord, and when I hear Bloc members demanding 25 per cent of the seats, something they refused in that same accord, I am entitled to question their sincerity.

[*English*]

Some people across the way are remembering the truth in a selective manner. They are indeed remembering the truth in ways that pleases them.

I for one am in favour of this bill. It is not to change the Constitution. It is nothing of the sort. It is just to modernize our electoral laws. Let us do it now. If we do not pass this bill, those same people across the way are going to accuse us in very short order that we did not proceed with the bill and redistribution could not take place on time.

I will say to them at that particular time, they know everything has to be installed by June; otherwise it will not proceed. I have here the timetable for the boundaries readjustment in front of me. Unless this bill clears the House by the end of June, unless Royal Assent is given by June 22, this whole thing will not be possible.

I say to the members across the way, shame on them for having deliberately held this piece of legislation to give better, more effective representation to all Canadians.

• (1720)

[*Translation*]

Mr. Benoît Tremblay (Rosemont, BQ): Mr. Speaker, a little while ago, I heard the member for Glengarry—Prescott—Russell read a letter concerning the October crisis. He did not read it all and did not say who wrote it. We know that it can only have been signed by the Premier of Quebec at the time, Robert Bourassa. I am very sad to hear the member recall these events as if they were something Canada and the Canadian Parliament should be proud of.

I believe that everything that has come out regarding the Cabinet discussions at the time clearly shows that if ever there was a dark time in Canada's recent history, it was then. I can assure him that now that we have a Premier with a backbone in Quebec, we will not see such a letter in the months to come.

Some hon. members: Hear, hear.

Mr. Boudria: Mr. Speaker, I always like to hear the hon. member speak about the head office and his leader in Quebec, the head of the provincial government, whom he praises and says he has guts, courage, etc.

I ask my colleagues to ponder over these few questions. Is that the same leader as the one who refuses to hold a referendum because he knows he will lose? Is that the provincial leader who postpones the referendum until next fall? Is that the leader who broke the formal promise he made to Quebecers during the election campaign? Is it another person? It must be. It certainly cannot be the same one.

I know the hon. member from the other side is only a member of a local branch of the Parti Quebecois, the one they call the Bloc, and that the head office is far away. But I would suggest he makes a conference call to talk to other representatives of the head office. And when he gets his information from that head office, he will find out something we all know already, that is, the Parti Quebecois does not have the courage to call the referendum immediately. They say they must wait because people are not ready, but in fact it is because they do not want to lose.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, there were several things in the speech of the hon. member for Glengarry—Prescott—Russell that I agreed with and a few that I did not agree with. He said one thing, perhaps inadvertently, and I would like to give him a chance to elaborate on a particular comment he made that if we do not pass this bill we will not have a redistribution before the next election.

Is it not in fact the case that the present electoral boundary redistribution process is under suspension and if we do not pass this bill we simply resume with the process as it is virtually now completed and could be completed fairly quickly? Is that not a more realistic option than restarting the process all over again at the cost of some $5 million to $6 million?

Mr. Boudria: Mr. Speaker, that is an interesting question. This same electoral redistribution that he refers to, the bill we have put under suspension in order to get this better one, would not have the measure of providing quinquennial redistribution to increase the number of seats in British Columbia, which some of his colleagues have said was under–represented by not proceeding with a bill like this. This is the same party that advocates both positions.

I say to the hon. member, he may be from the next province over, but he should discuss this issue with his friends from B.C. if he wants to go back to the bill that is under suspension as opposed to Bill C–69. Bill C–69 is far better in terms of providing more even redistributions in a quicker way and that are fairer to all Canadians. Surely he knows that, but if he does not, the people of British Columbia—

The Deputy Speaker: Resuming debate. The hon. member for Mercier.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, first of all I want to say that we have just heard a prime example of contempt for the Quebec people as they are known now, after having been for a long time the French Canadian nation.

• (1725)

In this Parliament and the previous one, if other members had respected the people of Quebec, Quebec's history would have been different, and I would like to talk about that, because after all, we will have to live together in any case as neighbours.

I may recall that Daniel Johnson senior was descended from Irish immigrants who spoke no French. In 1965, he gave his party a fresh start with his book, published under the title *Égalité ou Indépendance*, which became the slogan for his convention and his election campaign.

Daniel Johnson wrote the following: "Our English Canadian compatriots refer to a nation consisting of two peoples, while according to our French concept of the Canadian fact, we say there one people consisting of two nations. The confusion arises from the fact that English puts more emphasis on the political connotation of the word, while French uses the word in its sociological context. If we go by the description I just gave, there is no doubt Canada has two nations. Canada has two communities that are distinct by reason of their language, religion, culture, traditions, history and finally, a common desire to live together. Even in provinces where they are a minority, they have a natural tendency to regroup on a regional or local basis so as to create an environment in which they can flourish". As Daniel Johnson said in 1965: "The fundamental

characteristic of a nation is not race but culture. Whatever one's name or ethnic origin, one belongs to one of the two nations depending on whether one's roots, education, choices, lifestyle, and philosophy lead one to identify with one cultural community rather than another. And I am thinking", he said, "of all the new Canadians who chose to become a part of French Canadian culture and to contribute to its development and growth".

He goes on to say that "the French Canadian nation is trying with all its might and with every fibre of its being to realize its potential as a nation and that its aspirations are entirely normal and legitimate. Later on I will explain how and why French Canadians try to identify with the State of Quebec, the only one where they can claim to be masters of their own destiny and where they can develop the full potential of their community, while the English Canadian nation tends to make Ottawa the centre of its community life".

If Canada had recognized the French Canadian nation, we would not be where we are today. And we are there because after being denied equality, the French Canadian nation became the Quebec nation and now seeks its sovereignty, as Daniel Johnson explains here.

I have very little time, Mr. Speaker, but I will go on. However, in this vote on the position of the Bloc Quebecois, Canada and the Liberals could have shown a minimum of respect for this people, this nation with whom, in any case, they will have to find a *modus vivendi*, as neighbours or otherwise.

Some hon. members: Hear, hear.

The Acting Speaker (Mr. Kilger): The hon. member for Mercier will have 15 minutes, next time.

It being 5.30 p.m., the House will now proceed to consideration of Private Members' Business as indicated on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

EMPLOYMENT EQUITY

Mr. Ted White (North Vancouver, Ref.) moved:

That, in the opinion of this House, the government should immediately end employment equity programs and the inclusion of employment equity requirements on employment or training forms because such requirements encourage candidate selection to be made on the basis of sex or ethnic origin rather than merit, and, as a result, foster a sense of resentment among applicants.

He said: Mr. Speaker, this motion has been deemed not votable. Because it covers such an important topic, I would ask for the unanimous consent of the House to make it votable.

The Deputy Speaker: Is there unanimous consent of the House?

Some hon. members: No.

The Deputy Speaker: The motion is refused, but the hon. member has the floor.

Mr. White (North Vancouver): Mr. Speaker, it is noted that the government members do not want to vote on this issue.

Mr. Boudria: Mr. Speaker, on a point of order. The member across the way has just impugned motive to government members because he says a committee of this House has unanimously decided that his motion was not votable. It is right in our standing orders. Members across the way know it is in our standing orders. Therefore, I submit that it is a valid point of order.

The matter is that this is simply a motion that was addressed by a committee of this House. To say that refusing this is somehow the fault of the government as opposed to the committee that unanimously did so is simply and factually incorrect.

The Deputy Speaker: With respect, I do not think that is a point of order.

Mr. White (North Vancouver): Mr. Speaker, over the next hour this House will have the opportunity to discuss what some members will see as a politically incorrect motion.

I made the decision to prepare this motion after receiving complaints from constituents that they may have missed out on being selected for taxpayer–funded training or job creation programs solely because they did not fit into a designated target group on an application form.

It is appalling that the government of a democratic country has a policy condoning the selection of workers or trainees based on their gender or ethnic origins. It makes the government guilty of promoting sexism and racism, and it is particularly bad policy when there simply is no statistical evidence to support the claimed need for employment equity programs.

For example, figures from Statistics Canada indicate that the unemployment rate for young males ranges between 20 per cent and 23 per cent, while the unemployment rate for young females ranges from 14 per cent to 15 per cent. While both figures are far too high, clearly it is the young men who are the disadvantaged group. Their unemployment rate is consistently twice the national average, and it probably is contributing to their higher suicide rate and an increase in youth crime.

Some interesting material comes from a research paper by Dr. John T. Samuel of Carleton University, which cites statistics from the 1986 census, showing that 72.1 per cent of visible minorities over 15 years of age are in the workforce while only 66.5 per cent of the general population over 15 is in the workforce. The same census shows that the average personal income is $17,500 for the general population and almost $1,500 more for visible minorities. The REAL Women organization has also confirmed these figures in their own investigation of the representation of visible minorities and women in the Canadian workforce.

Well–meaning people are chasing ghosts, because there is no evidence that employment equity programs are needed. This is not to say that every employer out there is a saint. But the best way to handle individual cases where there is improper treatment of employees is for those cases to be dealt with in the courts and the employers properly punished.

Unfortunately, government–enforced provisions start with the assumption that all employers are guilty, even though 1993 Nobel laureate and economist Gary Becker notes that discrimination poses internal as well as external costs on a company. In other words, discriminatory employment decisions cost firms money. If they do not select the best person for the job, that translates directly to a drop in productivity and a drop in the bottom line. Since the overriding objective of a company is to make money, discrimination will be short–lived and the marketplace will police discrimination. This theory is borne out by the statistics I have already given and the ones that will follow in the rest of this speech.

• (1735)

In terms of public support for employment equity, a December 1993 Gallup poll showed 74 per cent of Canadians to be opposed to such programs. This high percentage is not a surprise to me because to this day I have never met a person who wanted to get a job or be promoted on the basis of their gender or their race rather than the skills or merits they have brought to the job.

Sadly, this government, as usual, is not the slightest bit interested in what the majority of Canadians think and is bound and determined to stick to an agenda of social engineering that will unfortunately have the opposite effect to that which is intended.

I correspond on a regular basis with a young lady in Vancouver named Kim Oliver. Kim has a disability called Fragile X Syndrome. Despite having this disability, Kim has a great sense of humour, she has great ambition and quite an artistic flair. Kim has indicated in her letters that she wants exactly what any other young person wants. She wants to be able to support herself through the skills that she can bring to the workplace.

I would like to read from one of Kim's letters. I quote:

> The United Farm Women of the 20's and 30's were western women who withstood the hardships of life on the farm alongside their husbands. They were responsible for lobbying for the vote, universal social programs, and pensions for widows and orphans. They also helped their men form unions and collectives. I identify with these women because, unlike today's feminists, they took matters into their own hands, using printing presses to spread the word via a women's newspaper, travelling to the Geneva Convention in the 40's and most impressive of all—got men to let us vote! Unlike NAC, Vancouver Status of Women and other special–interest groups, the UFW didn't have the media nor did they have millions in government funding—So why keep funding ethnic groups or women's groups? All they do is tell women, especially poor 'visible' minority women with disabilities, that we are the victims of racism, sexism, white male imperialism—and that we will never be equally paid, heard, educated because of men and men's cultural symbols. Makes you want to scream, doesn't it?

Kim identifies with people who had to work hard for what they achieved. She also makes it clear that she does not want to be treated like a victim by special interest groups.

Kim also writes that she has found that members of the Reform Party treat her like a fellow Canadian instead of putting her into a box labelled "disabled" or "disadvantaged".

I wish I could hold up some of Kim's drawings to show to the House her artistic flair, but unfortunately we cannot use props in the House, so I would ask members to believe me when I say they are very good. I think Kim will eventually find a place in the workforce to utilize her artistic skills. I know she wants to achieve that not through employment equity but through her own hard work.

This should not be interpreted as meaning that the disabled do not need any assistance to gain skills or that the government should not be involved in helping them gain access to the workplace. However, it does mean that we should not insult their intelligence and their abilities by artificially pushing them to the front of the line for employment. Like everyone else, they just want the chance to prove their worth and their true value through open and unbiased job interviews.

Obviously, there are fewer opportunities in the job market for someone with Fragile X Syndrome, and that is where every one of us as caring Canadians can help. We must be aware of the problems and we have to do what we can to support them. For Kim, I would like other members of this House to give me some examples, or perhaps the public who become aware of this debate, of where there have been successes in Canada achieved by people with Fragile X Syndrome. What sort of jobs have they managed to fill? How have things worked out for them? I hope they will write to me so I can pass these successes on to Kim, to give her even more encouragement for the future.

• (1740)

In wrapping up, I would like to read one more piece from a letter she wrote to me last September:

> We have a ministry responsible for women's equality, plus multiple feminists groups who are government–funded. As well, 'visible' minorities and natives have just as much government attention.
>
> So why does the Ministry of Social Services and Human Resources still classify women, minorities and natives as disadvantaged?

She also mentions:

> Why is it that our social services and human resources departments have no 'Ministry of the Disabled'? If we are to be Foster Children, couldn't the Provincial/Federal governments acknowledge our special needs?"

I know that Kim is not alone in feeling this way. She represents a very large group of thoughtful people with disabilities who really feel that the government is not representing their needs.

In their well–meaning attempts to promote the equality of opportunity that we all support, the government is actually fostering legislative racism and pitting identifiable groups against one another.

In their pursuit of social engineering they are inadvertently sowing the seeds of racial conflict by forcing employers to emphasize differences in race and gender instead of the differences in skills and suitability that should be the basis for employment.

I have here a letter and a questionnaire from the Chief of Defence Staff to all regular force and primary reserve members, announcing a survey of Canadian forces to identify the representation of aboriginals and visible minorities.

Is it not racist to be carrying out a survey specifically designed to identify persons by race? Is it really appropriate for a government to have a database identifying its employees by racial background?

Respondents have to identify themselves as black, Chinese, Filipino, Japanese, Korean, South Asian, East Indian, Southeast

Asian, non–white Latin American, non–white West Asian, Inuit, Métis, First Nation, or mixed race and colour.

If anyone except this Liberal government had asked for such a survey, they would be labelled as racist and accused of planning some sort of racial persecution. As it happens, all available statistics indicate that young Caucasian men are the ones who are in the disadvantaged group.

When we take a look at the employee make–up of several prominent groups that promote employment equity, we find some very disturbing situations. The Ontario government's office of employment equity in 1994 had a workforce made up of 90.5 per cent women, 52.9 per cent racial minorities, 5.6 per cent aboriginals, and zero able–bodied white males.

The workforce of the Ontario Rights Commission is 67 per cent women, 38 per cent minorities, even though these minorities represent just 9 per cent of the general population; there are no white males in the senior management group or the policy branch of this commission.

In an article she wrote for the August 26, 1994 edition of *The Toronto Sun*, Christie Blatchford said: "It is quite clear that if the commission is a glimpse of the future for Ontario under employment equity, the face of the future is female and non–white".

The Employment Excellence Organization asks whether the only difference between the racist agendas of the Heritage Front and the Ontario Rights Commission is that the latter is funded with taxpayers' money. That is a pretty extreme statement, but that is the sort of thing these employment equity provisions are making people say.

The government does not want to hear these things because their entire argument is based on emotion rather than facts. The fact is that one cannot fix discrimination by imposing a different type of discrimination.

The Sri Lankan–born author and economist of a 1992 report from the Economic Council, Arnold deSilva, found no correlation between wage levels and a person's country of origin. He also concluded that there is no significant discrimination against immigrants in general and that there is no systematic employment discrimination on the basis of colour.

Another study done for the Government of Canada in 1992 by Daniel Boothby involving a sample size of 115,000 people and entitled "Job Changes, Wage Changes and Employment Equity Groups", concluded that: "Visible minority status had no significant effect on the probability of job loss and, all else being equal, women are less likely to lose jobs than men".

• (1745)

In 1992 Statistics Canada reported that 56 per cent of all undergraduate degrees earned at Canadian universities go to women. In 1990 they took 45 per cent of the degrees in traditional male territories of business management and commerce. They accounted for 47 per cent of the law degrees, 46 per cent of medical diplomas and 63 per cent of those in veterinary medicine. Fazil Mihlar, a senior policy analyst with the Fraser Institute says that evidence of discrimination in the workplace is scant and isolated.

In my riding of North Vancouver I have been unable to confirm a single case, even though each time someone has called or written to me in support of employment equity, I have asked for any specific example of discrimination in North Vancouver so that I could make that situation public.

I challenge other members of the House to do the same before they support the ongoing use of employment equity programs or the inclusion of those requirements on government employment and training forms.

Bell Canada falls under the Federal Employment Equity Act of 1986. In 1989 Bell Canada had 61 more female employees than males. On a numbers basis that is pretty well balanced. Just two years later there were 2,058 more females than males employed by Bell Canada and the number of males employed had dropped by almost 2,000. No one could possibly argue that women are not adequately represented at Bell Canada but the trend in male employment with that company should be a cause for grave concern for believers in forced employment equity. They had better start insisting that Bell Canada place a special category on employment forms for the under–represented group, in this case males.

While I am talking about job loss I should mention that a number of my constituents have been asking me whether there will be affirmative action firing practices during the downsizing of the civil service announced in the budget. Will this whole exercise end up distorting the civil service employee base with enforced equity quotas that fail to recognize individual skill levels and the value to the taxpayers that are picking up the cost?

I already receive complaints from constituents who say that some employees at the front counters and on the phones at federal government departments hardly speak English and cannot be understood. Some of the members opposite will not like hearing that message but I have an obligation to pass on the concerns of my constituents to the House.

The federal government in the United States is considering the introduction of legislation to end affirmative action and an initiative has been started in California to place affirmative action on the ballot at the next election.

Polls indicate that affirmative action is going down to defeat in the United States in the interest of a fair and open market-

place. As one man put it on an interview on CNN, employment equity is a bit like the Vietnam war. It seemed like a good idea when we started it, but it turned into a nightmare.

Sadly, the government is still living in the past, trying to enact an agenda that is 20 years out of date, well–meaning and soft–hearted, but definitely soft–headed at the same time. On top of that it discriminates against skilled people who cannot label themselves as a visible minority.

I wonder how many Liberal members would be prepared to step down from their seats today, right now, so that a member of a visible minority could step into their place. I see no volunteers, no doubt because each of them would take the position that he or she has earned the right to be here. Why should they give up their seat to someone else who has not been through the election process? That is exactly what it is like in the real world job marketplace too.

People all across Canada oppose employment equity programs and every MP on the government side should admit that the programs are unfair and discriminatory. At the very least, they should admit that they would not like to see such programs applied to their own MP jobs. They should also agree to put an end to discrimination by refusing, as I do, to approve any grants or job creation programs which make employment equity a condition of the project.

Finally they should show courage and give their constituents true representation in the House by voting against any future employment equity bill.

• (1750)

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I welcome the chance to debate this motion. I want to say this loudly for the Canadian public. I am sure those who are watching the debate today or who will be reading *Hansard* will mourn the occasion this member stood in the House to ask the government to immediately end employment equity programs and the inclusion of employment equity requirements on employment or training forms because such requirements encourage candidate selection, et cetera.

What a sad opportunity it is to stand in the House to debunk some of the myths we heard a few minutes ago. The public record presents a completely different picture. It suggests hiring practices have very little to do with ability but a lot to do with discriminatory attitudes toward women, visible minorities, aboriginal people and people with disabilities.

I frankly believe the focus of the debate is on the wrong side. Rather than questioning why we need the employment equity we should be asking: Why do visible minorities, women, aboriginal people and persons with disabilities experience significantly higher rates of unemployment, sometimes twice the national level, even when they prove themselves to be eminently qualified for jobs? That is the question.

Documents and research tell us these individuals are frequently better educated and trained at proportionately higher levels than the general population to take on work opportunities. In addition to their advanced university degrees, they often come equipped with special knowledge or personal attributes that can also contribute to the job.

Let us look at it from a strictly pragmatic, business perspective. Visible minority members, for example, may be immigrants from other parts of the world. They bring with them firsthand knowledge of foreign market conditions which may be invaluable to Canadian exporters.

We heard quite a few businesses cited and we heard some misinformation given in terms of statistics. Women who make up more than half the population know better than anyone the needs of Canadian consumers, their families and themselves. Aboriginal people have a wealth of experience in traditional approaches to a multitude of disciplines, from the earth sciences to holistic healing to dispute resolution. With advanced education they are well positioned to marry traditions with the best of the contemporary economy.

Who better than persons with disabilities to offer insights into the specialized needs of people who are physically or intellectually challenged, one of the growth markets of the next century.

The member across the way threw out a case study. In that diatribe we were subjected to, the member mixed so many things together, the apples and the oranges and the myths. Too many employers continue to erect barriers to employment of these talented, work–ready people.

We can take statistics from Max Yalden, the Canadian human rights commissioner. He has publicly stated his concern about a growing mean–spirited attitude in Canada. He has warned of a backlash against members of society's most vulnerable groups by critics that claim they enjoy special workplace and hiring advantages. The statistics clearly show nothing could be further from the truth.

Mr. Yalden noted that while white male Canadians make up just 45 per cent of the workforce, they account for 55 per cent of all hirings. Men constitute nearly 95 per cent of corporate board members and more than 90 per cent of senior managers. They also earn an average of 20 per cent more than female workers. A study was recently done and published in the local media.

A study recently completed by Statistics Canada also concluded systemic discrimination explains much of that wage gap. Many women consider themselves lucky just to be hired. Women's share of all hiring declined from 1988 to 1992 and has improved only slightly since then.

• (1755)

Women are frequently members of more than one designated group, what we call the double disadvantaged and maybe in my case triple disadvantaged. Imagine how much more difficult it is for women to compete who are aboriginal, a visible minority or someone with a disability. People in these groups are particularly subject to prejudice in hiring.

Bias is the only apparent explanation for the fact that the unemployment rate among visible minorities, aboriginal people and people with disabilities with university degrees is much higher than for white males with the same education. In fact, it can be more than double.

Reports submitted by employers under the Employment Equity Act show some worrisome trends in the hiring rates of individuals in designated groups. The same reports show that the situation for persons with disabilities is even worse. I can go on and cite other instances, but I ask the House if these figures suggest that members of designated groups enjoy preferential treatment? The answer is self–evident.

The hon. member cited the fact that in his riding he could not find one individual who was subjected to inequity. I would remind the hon. member that the Employment Equity Act is designed to ensure that an employer's hiring and promotion decisions are based solely on the bona fide requirements of an occupation and not on any other job related criteria.

The Employment Equity Act ensures that only qualified individuals be considered for a job, but most important it requires employers to remove barriers to employment for capable candidates who are members of the designated groups so we can turn these unacceptable unemployment figures around, which is only fair.

The Canadian human rights commissioner, Mr. Yalden, has reason to be concerned. The anachronistic thinking associated with this motion certainly will do nothing to advance us toward our goal of preparing Canada for the global economy of the 21st century.

It ignores the reality that we will soon experience a severe skills shortage in the country that will demand that we put every capable Canadian to work. It disregards the fact that two–thirds of new entrants to the labour market will be members of the designated group by the year 2000, a large percentage of whom are more than qualified to meet the challenge. It overlooks the importance of capitalizing on these people's diversities in an increasingly specialized, interconnected and international economy.

It is lucky for us that this is not a votable motion because it would have been voted down by members on this side of the House. The motion could have had the opportunity to, if, heaven forbid, there was an opportunity for it to be a votable motion, condone racism, sexism and other forms of discrimination, all of which we know exist in the workplace. It would permit prejudice to go unchecked and may even encourage outright acts of physical or sexual harassment of the most vulnerable.

The Employment Equity Act is not about counting numbers as the member would have us believe. It is about instituting irritating rules and regulations that somehow stand in the way of individuals in this society from being contributing members and full participants in Canadian society.

I ask every member of the House to stand firm the Employment Equity Act.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I am both disappointed and disturbed that today members are asked to consider a motion which seems to be totally removed from reality and that, with all due respect for its author, appears to be based on a completely erroneous interpretation of the Employment Equity Act.

I would like to point out that the hon. member seems to associate the existence of the Employment Equity act with a tendency on the part of some employers to hire incompetent people. To make this kind of connection encourages prejudice and is entirely absurd.

Before going any further, I would like to recall for the benefit of our listeners and of our colleagues in this House that the sole purpose of the Employment Equity Act, which has existed since 1986, is to ensure that our labour force is more representative of Quebec and Canadian society.

• (1800)

To achieve this, we ask employers to try, as part of their hiring practices, to include four so–called designated groups, namely women, aboriginal people, visible minorities and disabled people, in view of the fact that in the labour market, people do not all have the same opportunities, and there are people who are discriminated against and who have trouble getting the jobs for which they are qualified. To think that because we have an Employment Equity Act like the one we have had since 1990 and which we are in the process of reviewing, there is some connection between the existence of this Act and the practice of some employers to hire incompetent people, is patently absurd.

I may recall that section 6 of the old and the new Employment Equity Act clearly says:

> the obligation to implement employment equity does not require an employer
>
> (*a*) to take a particular measure to implement employment equity where the taking of that measure would cause undue hardship to the employer;
>
> (*b*) to hire or promote unqualified persons.

That is made very clear in the Act.

We believe it is important to have an Employment Equity Act because we know perfectly well that the labour market alone is not likely to provide this equality between various groups. My proof is our colleague for North Vancouver, who began his remarks by saying that legislation on employment equity was no longer necessary. Let us have a look at the comments of groups that have studied the legislation, specifically, the Canadian Human Rights Commission. It is almost dishonest to say that Whites are victims of reverse discrimination. This prejudice must be stopped, fought from the start.

I sit on the Standing Committee on Human Rights, and, since January, we have been trying to improve the Employment Equity Act, as we realize there are gaps in it. Let us remember what Commissioner Max Yalden, who is as critical as a person can be before the government, said. As you know, he is well versed in the workings of government, having been in government since 1956, even before I was born. He said that, in 1993, able bodied caucasian males accounted for approximately 55 per cent of all workers newly hired for permanent full time positions by employers covered under federal legislation on employment equity. This is significantly higher than the proportion of able bodied Whites on the labour market; the figure in this case is 45 per cent.

So, people who try to convince us that Whites without disabilities are discriminated against are not aware of the statistics or of the reality of the labour market.

The Employment Equity Act says that some people are systematically discriminated against. That means that, if corrective measures are not taken, some groups will continue to receive unequal treatment. What form does this inequality take? It works by forming the five following groups: groups with higher than average rates of unemployment; groups with lower than average incomes; groups which are over–represented in lower paying professions and groups with less opportunity for advancement.

• (1805)

This is particularly true, as we will see, for aboriginal people and handicapped people. Lastly, there are also groups which are under–represented in higher paying professions, with good job prospects and which are in expansion. That is the general picture of discrimination that the designated categories face, groups like handicapped people, aboriginal people, members of visible minorities and women.

Let us take a look to see whether discrimination against these groups has really ceased over the last few months, as the hon. member claims. Let us look at each category. Women make up 52 per cent of the population of Canada, but in 1993—that is not very long ago—they accounted for only 45 per cent of the Canadian labour force. Last year, women continued to be paid about one third less than their male counterparts. This means that, in the labour market of 1993, a woman doing a job of equal value, for which she was equally qualified, earned two thirds of what a man earned to do the same job. If that is not discrimination, I wonder what the hon. member for North Vancouver calls it.

Second, 52 per cent of the time, women, who, as we know, make up 52 per cent of the population of Canada and 45 per cent of the Canadian labour force, end up in jobs in the lower service echelons, as office clerks or secretaries, jobs which are naturally lower paid.

It should also be pointed out about career women with a university degree that 18 per cent of White females who graduated in commerce, business administration or industrial management and were hired in the past few months were assigned positions below their professional qualifications. That is 18 per cent of women university graduates whose positions are below their professional qualifications, as compared to only 5 per cent of men, according to Statistics Canada.

I think it is to refuse to recognize the reality of the target groups, i.e. the female population, to think and to tell us that labour market equilibrium has been reached and that we no longer need an act like the Employment Equity Act.

Another situation is that of the aboriginal people. The Employment Equity Committee heard many witnesses on that issue. Our friend from the Reform Party certainly did not mention it, and I am sure you will be very surprised to learn about this, but the native people represent 3.8 per cent of the total population of Canada. Up until now however, they have succeeded in getting only 1.4 per cent of all the jobs available to the workforce. These are recent data and they show clearly that, not only do native people have a hard time entering the labour market, but their unemployment rate is exactly twice as high as the national average.

These data also show, Mr. Speaker, that the income of native people is $10,000 below that of other Canadians. I will conclude by saying that these examples of discrimination are still very much current and that Parliament must pass a legislation as this one on employment equity to promote a better balance within the Canadian labour force.

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is my pleasure to address this House regarding Motion No. M–372 proposed by the hon. member for North Vancouver. This motion advocates that employment equity programs and the inclusion of employment equity requirements on employment or training forms be terminated.

• (1810)

In the recent past a backlash has occurred against employment equity. This is unfortunate because the principle behind employment equity is a noble and valid one. It aims to correct discrimination, both intentional and systemic, directed toward designated groups, in other words, persons with disabilities, aboriginal people, visible minorities and women.

Critics of employment equity charge that it is reverse discrimination against white males. They argue that it lowers standards and promotes mediocrity. This is clearly a simplistic and unfair assessment of employment equity.

This is not to say that employment equity programs are perfect and are not in need of some refinement and fine tuning. Presently there are some potential negative consequences which may result from employment equity policies. These concerns need to be taken into account and addressed.

An example is the instilling of deep resentment among non–designated groups. Another one is the decrease of the workplace morale for employees from non–designated groups when the mistaken belief occurs that designated groups receive preferential treatment for promotions.

The above are some factors which need to be overcome in order to ensure that employment equity is implemented in an equitable and fair manner. It is very clear that in order to correct these backlashes more public education and workforce education programs are absolutely essential. Also, we should attempt to implement enrichment programs for disadvantaged persons from designated groups at all levels of formal education so that they may obtain the tools to become more competitive.

When implementing an employment equity plan, we need to keep in mind that the existing workforce did not create the discrimination that employment equity is attempting to eliminate. If the rights of the existing workforce are respected, one can avoid resentment upon the implementation of an employment equity policy.

An alternative solution which could be employed to fine tune employment equity would involve instituting a program that would be representative of how qualified persons from designated groups are distributed in the local labour market.

For example, if 5 per cent of the country consists of persons with disabilities and only 1 per cent of a local community consists of disabled people with engineering degrees, it is clear that only 1 per cent of the workforce in a local engineering company should consist of disabled engineers. Certainly, it would not be fair to non–designated groups if 5 per cent of the engineering company's workforce included disabled persons drawn from other communities, unless of course the very best people were available in this specific group 5 per cent of the time during hiring.

By keeping the above in mind, it could be ensured that local communities are not prejudiced, that the most qualified are always chosen and that discriminatory hiring practices are eliminated.

Despite some very minor fine tuning, the evidence clearly indicates that employment equity is beneficial to both employers and Canadian workers. Studies have demonstrated that substantial gains have been made by members of the designated groups since the introduction of the federal Employment Equity Act. We will continue to work toward full employment parity for these groups.

The intent of the act is not to provide preferential treatment. It is designed to ensure equal access to opportunities for all qualified work ready Canadians, regardless of their race, physical attributes or gender. It is about removing, not erecting, barriers to employment.

The act was not developed overnight. It was a product of a comprehensive review of the Canadian workplace in 1984 by the Royal Commission on Equality in Employment headed by Judge Rosalie Abella. In the course of its review the commission looked closely at affirmative action programs in the United States. Canadian commissioners wanted to learn from the American experience in order to avoid some of the problems associated with that legislation.

Judge Abella quite correctly concluded that Canadians would resist the American approach, given its overly interventionist government policies and the imposition of quotas. She recommended instead that Canadians adopt the employment equity model which focuses on the elimination of discriminatory employment barriers.

• (1815)

In the United States, affirmative action targets particular groups for special treatment because of a previous history of discrimination. Employment equity, on the other hand, attempts to ensure in Canada that all qualified job applicants receive a fair shot at available jobs. The employment equity program in the United States, and rightly so, is to be destroyed simply because it is a destructive model, a model that has been introduced based on a former model that was introduced regarding the discrimination of certain classes of people, a model of desegregation that tore the very fabric of American society, a model that destroyed community after community, all because of a quota system.

Our approach to achieve equality is far more progressive than the American model. It has led to greater partnerships among groups pursuing fair access to employment opportunities and has also led to far greater success.

For example, often workers, union leaders and employers will work together in unison to establish a fair equity plan. In this way, employment equity works as much to the advantage of employers as it does for the members of the designated groups.

Organizations that take advantage of and capitalize upon the rich composition of Canadian society will come out ahead. Organizations that are able to manage a diverse and dynamic workforce are bound to be more competitive in today's marketplace. Given demographic trends we cannot afford to overlook any under–utilized source of talent.

By the year 2000, the very time when we will experience a severe skill shortage because of an aging workforce, two–thirds of the entrants to the Canadian labour market will be women, visible minorities, aboriginal peoples, and persons with disabilities. This is the face of the future workforce and we must integrate them, whether the Reform Party likes it or not.

In conclusion, I do not believe that government should base their policies on the media coverage of the backlash against employment equity. In reality there are no losers under Canada's employment equity legislation. There are only winners when each and every citizen is given a fair chance for employment and then given equal opportunity to advance within the organization.

Ensuring that qualified minorities are not discriminated against is a worthwhile and noble goal. As a nation of caring, compassionate people dedicated to dignity and justice, we are determined to build a country where all Canadians can take pride in employment and their contribution to the community.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, it is a pleasure indeed today to rise to speak on the motion presented by my colleague from North Vancouver. I would like to congratulate my colleague for his speech, which outlined the purpose of his motion.

The motion deals with a sensitive issue, the practice of employment equity. I am pleased to have seconded the motion and to support the motion, which calls for the immediate end to employment equity programs and the end to the inclusion of employment equity requirements on employment or training forms. Such requirements encourage candidate selection to be made on the basis of sex or ethnic origin rather than merit and as a result foster a sense of resentment among applicants. The whole concept of employment equity is flawed. As my colleague pointed out, it advocates the hiring of individuals based on designations, not merit.

The hon. member for Fraser Valley West also expressed it quite well. He said the concept of employment equity will subordinate the principle of merit to the politics of race and of gender. This is made clear by a number of factors, one being the sense of dissatisfaction with employment equity by those it claims to help.

Members of targeted groups who supposedly benefit from employment equity face two difficult questions, the first from themselves. Were they chosen for the position they now hold because of the target group they belong to, or was their hiring based on merit? It is a question that is always there.

• (1820)

Second, there is a question from their colleagues. Do the individuals they work with have doubts about whether they were hired based on the fact that they are a member of a visible minority or a member of a disadvantaged group, or did they truly deserve the position?

This brings me to my second point. When people in a workplace really do not know why they or their colleagues were hired, whether it was based on merit or because of a specific category to which they belong, it fosters a sense of inequality and divisiveness among co–workers. This sense of inequality, as a result of astute hiring practices and quota filling, can lead to a split in the workplace because they create an atmosphere of distrust and doubt. This does not make for a productive or a happy workplace.

I would like to tell a story that was told to me by a staff member of a member of Parliament on the Hill. She had a friend at university, a very bright individual and a member of a visible minority group, who often spoke out very strongly against employment equity programs. Many people questioned his position. They asked why he, one who could obviously benefit from such programs, was so vocally and so strongly against these programs. His reasons were that he did not know, and was afraid that he would not know, if he was hired based on his skills or his skin colour. His co–workers would not know either. This individual said he wanted to be judged solely on the basis of merit and on nothing else.

Indeed, even hon. members opposite have expressed similar views and have shared similar stories. The hon. member for Waterloo stated in committee, with regard to the government's employment equity legislation, that an individual from his own riding did not want people to think he got his job based on preferential treatment. This constituent was also speaking out against employment equity.

Looking at this concern from another point of view, from a point of view based on productivity in the workplace and from the employer's point of view, I would like to tell another story. This story was told to me personally by a gentleman who owns a fairly large business that he built from scratch in my constituency.

This gentleman's company bid on government contracts on a fairly regular basis. He had been very successful in winning these contracts over the years. He was expressing a deep concern to me that his company was no longer eligible to bid on these contracts. The reason was that he did not have the proper quota allocations within his company. More than 50 per cent of his employees were women. He had always hired a considerable number of women because they could do the job best. He had some members from visible minority groups. But his company could not successfully keep enough employees from the aborigi-

nal group to be able to bid on this contract. Because of this, this business person was disqualified from bidding on these contracts. Any way one looks at that, it is discrimination.

Why does the government then feel that we need employment equity? I guess its reason is to correct perceived injustices in the workplace, an honourable motive. However, when we look at numbers we see that these injustices are often only perceived, and mostly perceived by government.

I would like to present a few more stats to add to those presented by the hon. member for North Vancouver a little earlier.

There are 570,000 people currently regulated by the present Employment Equity Act. Women make up 45.6 per cent of those covered. When looking at women in the overall Canadian workforce, we find that 45.9 per cent of the workforce is female. There is a difference of .03 per cent between those who work under the bodies that are covered by the Employment Equity Program and those in the greater workforce. That is .03 per cent. We have to ask ourselves if this .3 per cent is enough of a difference to warrant the cost and the damage done by these employment equity programs.

• (1825)

According to StatsCan for example, in 1992 single women made about 99 per cent of the salaries of single men. Many salary differences between men and women can be explained by lifestyle choices, for example, the choice to stay at home and raise a family. Of course, that is a very honourable choice indeed.

As well, the Economic Council of Canada released a study in 1992 that found no correlation between wage levels and a person's country of origin. The same report also found that immigrants have a lower unemployment rate than Canadian–born workers. The conclusion reached in the council's report was that there is no significant discrimination against immigrants in general.

In 1994 the employment equity report said that in total, women occupied 47 per cent of government jobs while 47.3 per cent were available to work. Jobs held by women increased by a full percentage point in 1993–94. They took a full per cent more of the top jobs despite the fact that the executive category declined by 6 per cent. Again, would government have us bring in costly programs to adjust for a difference of .3 per cent?

I have a few more statistics. The civilian staff at the RCMP is 82.6 per cent female. At Citizenship Canada, 74 per cent are female. However, in Transport Canada more than 75 per cent are male. Are we to assume that this under–representation of women in the transport department is caused by discrimination? I would say no. However, that is what the report wrongly assumed and this illustrates the fundamental flaw in the report. It is difficult to determine why there are differences, but we cannot automatically assume that it is due to rampant discrimination.

Again I ask the question: Why do we need employment equity programs and legislation? The answer is: I do not think we do. Then why do we have them? I believe we have them because the Liberal government's agenda has been and in fact is set too much by special interest groups and these special interest groups support employment equity. They are not driven by public interest.

We have had too much government based on the vocal input from a minority and too little government based on the less vocal input of the majority. We have had government by the minority instead of the majority. What we have with employment equity is a playing field that is tipped in favour of special interest groups. That is not what Canada is all about.

The motion today calls for the immediate end to employment equity and I fully support the motion. In keeping with the Reform practice of proposing positive alternatives, I will explain the Reform Party's position on employment equity by making five short statements:

One, all Canadians are equal before and under the law and all workers have the right to be free from discrimination in the workplace. Two, the market will provide solutions to a representative workplace in the private sector. Three, it is the role of government to ensure equality of opportunity rather than to determine equality of employment outcome in the public sector. Four, the workplace should be free from arbitrary obstructions to hiring or promotion. Merit must be the sole hiring criterion. Five, employment equity legislation is coercive, discriminatory, unnecessary and costly. It should be discontinued.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I have very little time and I will use it as well as I can.

To quote a longtime good friend: "I will be happy that equality has arrived when an unqualified, incompetent woman has as good a chance of getting hired and promoted as an unqualified, incompetent man". That is equality.

Employment equity is not about special treatment; it is about equality of opportunity. History proves and the figures prove that in fact a minority in our population have had preference in hiring and promotion. How else does one explain that 84 per cent of clerks in the federal government are women, the lowest paid? Even within that category of clerks, men rise to the top more often than women.

• (1830)

Numerous statistics demonstrate clearly to us that the merit principle has not been applied in hiring and in employment in this country and, shamefully, in our own public service. The statistics make it very clear that women have been at a disadvantage and have been kept at low levels of employment. People with disabilities are totally under–represented in our workforce, notwithstanding their qualifications. Aboriginal people are shamefully under–represented in our workforce. People who are visible minorities are also shamefully under–represented and in fact have far less chances of getting hired, one–quarter of a chance just a couple of years ago, compared to a white applicant.

These are not necessarily conscious discriminations. They are built into our system and our value judgments. I say to the white males of this country: "You have nothing to lose but your privileges". This Canada of ours is not about privileges. It is not about preferential treatment for a minority of the population which has existed for a long time. It is about using the full, rich—

The Deputy Speaker: I am sorry, the time provided for Private Members' Business has now expired. Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

TURKEY

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, last month I had the honour of leading a delegation to Turkey to look into the very serious situation of human rights violations in that country. In particular, I was looking at the appalling human rights violations affecting the Kurdish community in Turkey.

Some 12 million Kurds live in Turkey. They have been denied any democratic rights whatsoever to express their fundamental cultural and linguistic heritage.

Following my return from that delegation, I raised a question in the House last week. I asked the Prime Minister to explain why the Canadian government is seriously contemplating sending a delegation led by a minister of the government to celebrate 75 years of Turkish parliamentary democracy.

It is absolutely appalling that the government would seriously consider sending a delegation of that nature when six members of the Turkish Parliament are locked up in the Ankara prison solely for have spoken out for human rights, democracy and justice.

When I had the privilege of meeting with these members of Parliament, including a Kurdish woman, Leyla Zana, who has been sentenced to a term of 15 years, they were astonished and deeply concerned that our government would seriously contemplate sending that delegation.

Second, I raised the issue of the possible sale of 39 CF–5 fighter aircraft to Turkey. We know of the human rights abuses. We know of the burning and destruction of villages. We know of over two million Kurds who have been made homeless in southeastern Turkey. We know of the attacks on journalists. We know of the very profound attacks on many other minorities in Turkey.

This arms deal is fundamentally immoral. I call on the Government of Canada to join with Norway and Germany, two of our strong NATO allies, in imposing an arms embargo on Turkey. Far from selling fighter aircraft, we should be imposing an arms embargo. Look at Turkey's record in Cyprus for example: the illegal invasion, as well as its current appalling human rights record.

Canada's policy is supposedly not to sell weapons to areas of conflict and not to sell weapons to countries with questionable human rights records. The government says: "No problem, we will get a promise from Turkey that they will not use this against civilians". The Turkish government made a similar promise with respect to tanks sold to them by Germany. That promise was broken as well.

• (1835)

I call on the government to say now, categorically, that it will not participate in this charade of the celebration of Turkish democracy, that it will cancel the Canadian delegation, that it will not sell CF–5 fighter aircraft, that it will impose an arms embargo and call on the Turkish government to arrive at a peaceful solution through political dialogue and peaceful means instead of attacking the Kurdish community.

Finally, the PKK has called on the government to recognize that the time has come for dialogue, not for separation but as General Secretary Ocalan said: "The time has come to live side by side on free and equal terms". The way to achieve this is to be open and honest.

I hope the parliamentary secretary will take the opportunity to set the record straight on this issue.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I wish to set the record straight. The hon. member has raised three important issues. One is the Canadian delegation participating in the 75th anniversary of the founding of the Turkish Parliament on April 23. The other is the human rights violations against the Kurds in northern Iraq and against some parliamentarians, that he explained in detail. The third issue is the sale of the CF–5 aircraft to Turkey.

I would like to begin by addressing the first two issues. The hon. member received an excellent answer from the Prime Minister when he asked the question on March 28. The Prime Minister in his reply said: "It might be a good occasion for the ministerial delegation to raise the issue of human rights with the government when it is there". He also said: "Perhaps one way is to cancel the delegation or the other way is to send the delegation with a mandate to talk about it".

It is interesting what the member does when he sees human rights violations. He hops a plane and gets out there, whether it is the Middle East, China, Africa. He makes the headlines. He is the champion of fighting human rights violations. I compliment him for it.

In this case, for other Canadians, he says: "Don't go there. It's okay for me to go there, but don't go there. You Canadians stay home; don't go there". I think the hon. member would agree with me that the best way to address these human rights violations with Turkey is to go and present it to them face to face.

We have continually made representations to the Turkish government through our ambassador in Ottawa, through the embassy in Ankara. As far back as last June the Minister of Foreign Affairs raised the issue with his then Turkish counterpart, Mr. Çetin, who is now the Deputy Prime Minister of Turkey.

I am sure these kind of direct interventions, face to face interventions, go a long way. Boycotting that country and not talking to them is not going to give them the message. We have to get there and approach them eyeball to eyeball on this situation. That addresses the first two issues.

As far as the sale of the CF–5s is concerned, again I do not know why the member is making such a fuss over the issue. Just after question period today I asked the Minister of Foreign Affairs about this. There is no sale of CF–5s to Turkey. That is as recent as today. I hope the hon. member will pass that on to his constituents and to other Canadians. Yes, we have surplus planes. Yes, countries are interested in purchasing them. The price is a little lower because they are surplus and used. As of today, there is no sale of CF–5s to Turkey.

I thank the hon. member for his intervention, but I hope he will not be hypocritical—

The Deputy Speaker: Your time has expired.

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, yesterday, I asked a question to the Minister of Citizenship and Immigration regarding the deportation of a family of Romanian refugees, Carmen and Alexandru Dima and their daughters Simona and Diana.

Once again, the minister refused to intervene in this issue, and showed a blatant lack of sensitivity, humanism and compassion. The public, as well as the groups and the individuals who supported that family, were frustrated and shocked by the minister and the government's refusal to use discretionary power in this case. The Dima family arrived in Quebec on February 27, 1992, and immediately claimed refugee status. To everyone's surprise, the IRB and the minister rejected all the representations made.

The Dima family was very well integrated to the community. Mrs. Dima, who was a teacher in Romania, worked as a volunteer at the Notre–Dame–de–Grâce school. She was promised a job with the Montreal catholic school board. Her husband, a computer technician, received a job offer from Avtech company, in Dorval.

One daughter, Simona, got 97 per cent in French and is in a class for advanced or gifted students at the Saint–Luc high school. As for Diana, she goes to Notre–Dame–de–Grâce and only speaks French. The family also has relatives in Montreal. I saw the Dimas cry on television before their deportation, and I was very moved by that drama.

I want to congratulate the Quebec minister of Immigration, Mr. Bernard Landry, who promised to deal quickly, and with compassion, with the immigrant applications which will be submitted at the Canadian consulate, in New York. This is another example of the open–mindedness of the Quebec government towards immigrants and refugees. Quebec is truly an exceptional land of adoption.

I want to mention the solidarity expressed by ordinary citizens, parishioners from the Notre–Dame–de–Grâce church, reverend Fernand Patry, teachers and students from the two above–mentioned schools, as well as by the Brothers of Christian Schools, who will look after the family in Plattsburgh.

The minister, who is afraid of the Reform Party, and who is becoming increasingly hard on immigrants and refugees, should take into account these spontaneous expressions of human solidarity by the public. I do hope that he will take the necessary measures to expedite the processing of the immigrant applications of that family, as regards the elements which fall under federal jurisdiction.

I am convinced that Quebec and Canadian society will benefit from the contribution of the Dima family. I am the last speaker and I want to take this opportunity to wish you, Mr. Speaker, as well as all the members of this House, a Happy Easter.

[*English*]

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I thank the hon. member for the question to the hon. minister and for his concern for the Dima family.

I would like to inform him that the family has co–operated with immigration officials by returning to the United States where they can apply through the normal channels. The Quebec government has indicated that it will interview the family when they apply from outside Canada.

They have had full benefit of our refugee determination system and they were found not to be refugees. Their case was reviewed under our post–determination risk assessment criteria and the Dima family were found not to be in danger if returned to Romania. They have also had a humanitarian and compassionate review which was negative.

Over 2,900 people immigrated to Canada from Romania in 1994, the vast majority having applied in the normal manner from outside Canada. In fact, in 1993 there were 3,300 entrants into Canada from Romania.

I want to respond to the member's greeting by also wishing you, Mr. Speaker, the member, and everyone else in the House a very pleasant holiday and Easter season.

The Deputy Speaker: Pursuant to an order made earlier the motion to adjourn the House is deemed to have been adopted. The House stands adjourned until Monday, April 24, 1995 at 11 a.m.

Happy Easter, Joyeuses Pâques to everyone as well.

(The House adjourned at 6.44 p.m.)

HOUSE OF COMMONS

Monday, April 24, 1995

The House met at 11 a.m.

Prayers

[*English*]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S–7, an act to accelerate the use of alternative fuels for motor vehicles.

PRIVATE MEMBERS' BUSINESS

[*English*]

FINANCIAL ADMINISTRATION ACT

The House resumed from March 28 consideration of the motion that Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof (exempted crown corporations) be read the second time and referred to a committee.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I think you would find unanimous consent for the following motion:

That notwithstanding any order of this House, any recorded division to be taken on Bill C–263 later this day be deferred until Tuesday, April 25 at 5.30 p.m.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion. Is there unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): When Bill C–263 was last before the House the hon. member for St. Boniface had approximately five minutes remaining in debate.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, it is my pleasure to continue my address on the bill presented by the hon. member for Okanagan—Similkameen—Merritt. As previously stated, I believe that the objectives of the bill are well intended. My colleagues and I are in favour of ensuring adequate accountability for all crown corporations. However, the proposed bill has a number of shortcomings which I will continue to review today.

The last time I spoke on the bill I examined some of the reasons for exemptions. Exemptions reflect some of the very special sensitivities in the relationship between the government and these particular corporations. Each has been created by a special act which carefully outlines a very specific mandate. For some the act sets out requirements for the administration of resources. This becomes of particular importance in ensuring the accountability among these crown corporations which provide, for example, grants. A case in point is the Canada Council.

[*Translation*]

It is of paramount importance that the Canada Council be permitted to freely select recipients of grants and that this be the public's perception. I am of the opinion that the artistic value of a work is not a political issue and that it is inappropriate for the government to set conditions in this area.

[*English*]

Similarly, I believe strongly in protecting the mandated freedom of the CBC in areas of programming and journalistic independence. This freedom led to the provision that the CBC also be exempted from part X in 1984.

I recognize that the hon. member deliberately left out the CBC in order to remove, as much as possible, contentious issues. My concern is that the reasons for granting exemption from part X for other corporations, such as the Canadian Wheat Board, present issues which may be viewed as equally contentious, especially by Canadians or groups of Canadians these corporations serve.

[*Translation*]

Should we not first hold comprehensive consultations with the affected parties to examine these issues in depth?

[*English*]

It appears to me the bill fails to recognize as much as it should that the unique mandates of the affected corporations require more serious consideration in developing an appropriate accountability framework.

Clearly there are reasons for some of these corporations to be agents rather than non–agents of the crown. There are also reasons why their employees are not public servants. Bill C–263, in my opinion, does not deal with the importance of these reasons sufficiently clearly.

Experience over the last 10 years has shown that generally there may be merit in bringing other corporations under a modified form of accountability framework similar to the regime now in place for the CBC. Bill C–263 does not provide for these modifications which I believe are necessary.

I am confident that additional efforts will be made by this government to balance improvements in accountability for exempt crown corporations with the desirable degree of independence. In fact, the bill assists us in doing this.

Owing to the reservations and inconsistencies in the approach reflected in Bill C–263—and I do not say that unkindly because I recognize that the hon. member did not have all of the resources available to him—I must declare that I cannot recommend support for this bill as presented in the House. However, I wish to state that, notwithstanding my opposition to the bill, the government is committed to sound financial management for all of its crown corporations. Improvements can always be sought and we will make them.

• (1110)

We recognize that the situation for the exempt crown corporations named in the hon. member's bill is unique and that the bill fails to adequately deal with that fact. This does not mean that we are blindly opposed to a re–examination of how to best ensure appropriate accountability.

The President of the Treasury Board will therefore communicate with his colleagues responsible for these corporations asking them to review once more the opportunities to improve the accountability system now in place for each of them. This examination process would be done on a case by case basis respecting the special needs of each corporation's mandate. It would include examining the need for changes to legislation paralleling the model for CBC if appropriate.

There are several ways to deal with this. I am confident that in partnership with the directors and managers of crown corporations, the government will continue to demonstrate a strong commitment to managing the corporations effectively and efficiently with due regard for all of the best and most sound principles of accountability to the taxpayer.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, Bill C–263 ensures that the federal government is accountable to the Canadian taxpayer. I feel strongly that members from all sides of the House should rally in support of Bill C–263 so that we can honestly say that we have tried to respond to the wishes of the people who sent us here.

As members know, in the 1993 fiscal year crown corporations incurred losses totalling some $57 million. Their net borrowing from the Government of Canada amounted to $14.2 billion. Crown corporations received $4.6 billion from government through budgetary appropriations.

Our task in this Chamber is to ensure that every government department and agency be accountable for every tax dollar spent. I dare say that everyone in the House wants to be able to say to the people at home that we are responsible to the people who ultimately pay the bills: the Canadian taxpayer.

The auditor general has a key role to play in this regard. In many cases, which I will refer to in a moment, the auditor general has not only made available the exact facts and figures concerning the activities and performance of the federal government but the auditor general has been able to improve such activities and performance levels by dissecting and evaluating agencies and departments.

No shame is involved in the work performed by the auditor general. The auditor's detection of poor performance and recommendations is seen by Canadians as routine and to be expected. Canadian firms large and small perform audits on their activities and performance. Often audits show they are on the right track with objectives and sometimes they must swallow tough medicine to cure ailments detected in their business by such audits.

This is a fact of life and it should apply to government as well. Canadians expect their government to follow the good business practices followed in the private sector.

No one can deny the performance of auditors general in recent history. In fact progress has been made. The auditor general has the power to follow up on his recommendations. The result has been that in many cases Canadians are realizing better value for their tax dollars because of the efforts of the auditor general.

With reforms instituted in 1984, most crown corporations have operated within the accountability framework established under part X of the Financial Administration Act. Part X of the act requires each crown corporation to submit an annual report. The annual report, in addition to its financial statement and the auditor's report also presents information on how well the objectives of the corporation were reached during the reporting period. Second, crown corporations are expected to submit a corporate plan and third, budget summaries for tabling in Parliament. These are good measures. In my view these requirements are basic and simple. They are not unreasonable and yet we have a system in government in which crown corporations are not required to do these basics.

• (1115)

Canadians expect their tax dollars to be spent within this framework of accountability. When Canadians hear of money being spent by the federal government without the above criteria being met they become quite naturally suspicious.

There are good reasons for Canadians to feel this way. The Financial Administration Act could easily be made applicable to crown corporations listed in Bill C–263. There are 49 crown corporations. Bill C–263 deals with five which are exempted from the Financial Administration Act: the Canada Council, the Canadian Film Development Board, Telefilm Canada, the Canadian Wheat Board, the International Development Research Centre and the National Arts Centre.

Bill C–263 would move these crown corporations under the supervision of the auditor general. This is an absolute necessity considering the amount of dollars consumed by these five agencies.

The CBC is not included in Bill C–263. The reason for this is that Canadian Broadcasting Corporation provisions for the Financial Administration Act were incorporated into the Broadcasting Act in 1991. In short, the CBC is already subject to the accountability requirements of Bill C–263 and the Financial Administration Act.

This latter point is important for members of the House to note. The CBC is the recipient of about 70 per cent of all government funding provided to crown corporations that are exempt. This means Bill C–263 is finishing a job already accomplished by Parliament. Since 1991 the CBC has adjusted to the accountability requirements of part X of the Financial Administration Act.

Hon. members may agree with my observation that the CBC, more than any other exempt crown corporation in Bill C–263, was most insistent about the idea of critical importance of an arm's length relationship to the government. The CBC has not had the difficulties it anticipated in adapting to these accountability requirements. The CBC has been operating within this framework for the last four years without too much difficulty.

I remind colleagues that the auditor general already performs financial audits on the five corporations in Bill C–263. However, these audits do not permit the auditor general to comment on the appropriateness of the activities of the five, nor is the auditor able to comment on the extent to which each fulfils its mandate.

As it stands now these are not value for money audits. This must be a necessity for these five corporations. Value for money audits are done every five years. They are different from annual audits in that they comment on corporate management, goals and objectives.

It is fair to say the boards of the exempt corporations should welcome the value for money audits in much the same way private sector enterprises welcome their annual audits in which their forecasting and business plans come under the scrutiny of their shareholders and an auditor.

It is not unthinkable that the board members would look on the audits as helpful to their own work as well as a positive accountability measure, something that has been missing in many of these crown corporations within the framework of government operations.

It has been 10 years since this accountability framework for crown corporations was established. Exempt corporations have now had a decade to review and analyse effects of the Financial Administration Act on the independence of non–exempt crown corporations. By now it is highly likely the crown corporations exempted from the act would conclude that the Financial Administration Act poses no real threat to them. The CBC is an illustration of this. Provisions of the Financial Administration Act were incorporated into the amended Broadcasting Act in 1991.

• (1120)

It is reasonable to require the five crown corporations to prepare a business plan so that annual reports can allow the Canadian people, the taxpayers, the funders of these programs, to monitor and gauge the performance of these five.

There have been some cases in which crown corporations' annual reports differ from the business plan objectives, even though there are no provisions for exempted crown corporations to invite the auditor general to conduct special examinations. The audit is released only to the board of directors, not to Parliament. It must be released to Parliament. It must come under the scrutiny of all members of Parliament so we can ensure taxpayers' money is being accounted for.

Providing the corporations with the option of inviting the auditor general to do an audit is not good enough. If the auditor general's office were involved in the corporation on a regular basis, business plan objectives would not deviate from objectives stated in the annual report.

We all agree that in times of restraint such as we have now those who spend taxpayers' dollars must be more aware than ever that they are answerable as to how the dollars are spent. Part X of the Financial Administration Act has been so effective for other crown corporations, it seems reasonable, logical and simply common sense to bring the five crown corporations outlined in Bill C–263 into line as well. I urge all members of the House to support Bill C–263.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I am pleased to join the debate today on Bill C–263, an act to amend the Financial Administra-

tion Act, sponsored by the hon. member for Okanagan—Similkameen—Merritt.

I as well endorse the objectives of the bill to increase the accountability of exempt crown corporations to the taxpayers of Canada. At the same time I have reservations that this proposal is the best approach to the question.

Let me deal with the proposal to make the officers and employees of the Canada Council, the National Arts Centre and the International Development Research Council part of the public service of Canada.

On February 27, 1995 the Minister of Finance introduced a historic budget to the House. Part of the announcement was the need to reduce the size of the public service by some 45,000 positions over the course of the next three years. That is a major undertaking which will require a great deal of effort to manage with both wisdom and compassion.

These three corporations have approximately 850 employees combined; roughly 230 in the Canada Council and 280 in the National Arts Centre and 340 in IDRC.

Adding 850 positions to the size of the public service at this time is swimming against the current. For this reason, if for no other, I cannot support the bill as presented to the House.

I share the point of view expressed early in the debate by the hon. member for La Prairie that broad brush legislation of the sort reflected in Bill C–263 is not the only approach that can be taken to this issue. There are other approaches that can and have been taken recently to strengthen the accountability of our crown corporations.

One such approach is improving the quality of corporate governance. I am referring to the role of the board of directors whose responsibility it is, to put it simply, to manage the mangers. In this respect I invite the attention of the House to the final report of the Minister responsible for Public Service Renewal and agency review released on February 16, 1995, the same day as the budget.

• (1125)

The purpose of the review announced in the February 1994 budget was to review the continuing usefulness and the currency of the mandate of the federal government, several hundred agencies, boards and commissions.

Among the measures adopted by the government in the final report to streamline the appointment process were decisions to reduce the size of the governing bodies of a number of agencies including crown corporations.

Accountability for taxpayers' dollars is a key consideration for these exempt corporations. In this regard it is worth noting the review concluded reductions in governor in council appointments will take place in three exempt corporations, two of which are identified in this bill.

The board of governors of the CBC will be reduced from 15 to 12 members. The board of trustees of the National Arts Centre would be downsized to eight members from the current eleven. The governor in council position of secretary will be eliminated in Telefilm Canada. The agency review taken as a whole will result in the elimination of some 589 governor in council appointments.

As well, the final report and agency review revamped the tenure provisions of the appointment process which would make it easier for the government to remove under performing individuals holding full time appointments, including officers of crown corporations appointed by the governor in council. Incumbents of these positions will now serve at pleasure. The government is committed to improving the appointment process, including appointments to the board of directors of crown corporations.

That is a commitment of the red book. Those were the recommendations in the report commissioned by the Prime Minister and submitted by Mr. Gérard Veilleux. "Unfinished Business, a Report on the Appointment Process to Boards of Directors of Crown Corporations", was released by the Minister responsible for Public Service Renewal last July. That was the focus of a conference held in October by the President of the Treasury Board for the chairpersons and chief executive officers of crown corporations.

The subject matter of that conference will perhaps reinforce the message to the sponsor of this bill that there are other avenues to improving the accountability regime for all crowns, including the exempts beyond the legislative approach.

The October conference, "Corporate Governance: Improving the Effectiveness of Crown Corporation Board of Directors", sponsored four workshops for participants. The first of these was on the development and approval of strategy.

This group explored the importance of the development and approval of specific strategies, the challenge of linking the development of strategy to the corporation's mandate, the relationship of the board to management and the factors which contribute to a board's success.

The second workshop was on the subject of board composition and evaluation. Discussion in these groups centred on the roles of the chairperson and the CEO, the selection and evaluation of board members, the functioning of the appointment process, board self–evaluation, the orientation and education of directors and all related communications issues.

The third workshop dealt with balancing the corporate agenda and the public good. Groups discussed the trade–offs between meeting the commercial financial objectives and achieving the

mandated public policy objectives, all within the constraints imposed by the accountabilities of a public enterprise.

The final workshop addressed meeting the information needs of the board. Participants examined the information needs of the board from a variety of perspectives, including the often unique perspectives of the exempt crown corporations referred to in Bill C–263.

Work is continuing in these areas. Options for an education program for newly appointed directors of crown corporations are under review, which will strike the balance needed between the fiduciary responsibility of directors and the public policy role of the crown corporation.

The auditor general maintains an ongoing brief in this area as well. All of these measures are designed to increase the accountability of crown corporations, including the exempt crowns.

I invite the attention of members to the program review decisions announced in the February budget.

• (1130)

The budget states that the government will undertake a fundamental review of its support and mandates of the CBC, NFB and Telefilm Canada. Strategies and mandates that were developed under radically different circumstances must be re–examined in light of today's technological possibilities and the evolution of both the audio–visual industry and the domestic market.

That and similar opportunities may be the more appropriate avenues for the hon. member to pursue his very worthwhile interest in improving the accountability of the exempt crown corporation. Such an approach will preserve the flexibility and the accountability regime for those crown corporations which require a degree of independence from the direct ability of the government of the day to intervene in their policy and administrative decisions.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, Bill C–263 has as its goal the bringing of five crown corporations under the accountability provisions of the Financial Administration Act which now applies to all other crown corporations. The corporations this act seeks to include are the Canada Council, the National Arts Centre Corporation, the Canadian Wheat Board, Telefilm Canada and the International Development Research Centre.

Hon. members have listened to earlier discussions on the merits of having all crown corporations operating under a sound system of control and accountability. I can only add my support to those expressions of interest that crown corporations should be appropriately managed, but I cannot support Bill C–263.

The objective of good government management of crown investments is neither a mountain of bureaucratic rules and regulations nor a flawed system that fails to provide the adequate tools to evaluate corporate performance. Appropriate accountability must balance control against an adequate degree of empowerment for corporate managers to do their jobs effectively and efficiently. After all, crown corporations have a real and valuable public policy purpose.

I am sure all hon. members would wish to ensure that important publicly owned institutions such as the Canada Council, the Canadian Film Development Corporation and others are held accountable for the results they achieve and the money they spend. I am equally certain hon. members would not wish to see the mandates of these corporations compromised, mandates that Parliament carefully protected in corporate enabling legislation. Or is that the case with this particular bill?

Perhaps the real agenda here is to remove from these particular crown corporations their arm's length quality, their ability to act at arm's length from the government. Perhaps the real agenda is to stifle the creativity which is part of the Canada Council, part of Telefilm Canada and part of the National Arts Centre. Perhaps the real agenda is to suppress the work of the International Development Research Centre or to prevent the wheat board from performing its mandate which has been so valuable particularly to the western provinces.

What is appropriate accountability for these corporations? That is the real question. Clearly, the present system of laws, regulations and government policies affecting crown corporations has evolved considerably. It can provide both Parliament and the government with much useful information and the assurance that crown corporations are being well managed.

The Auditor General reports to this House on a regular basis on crown corporation matters. Indeed, the Auditor General is the auditor or the joint auditor for 35 out of 48 of these corporations, including four that are part of this bill: the National Arts Centre, the Canada Council, the International Development Research Centre and Telefilm Canada.

Moreover, Treasury Board reviews the operations of crown corporations. It deals with resourcing issues for those corporations that are exempt from part X of the Financial Administration Act but nevertheless require government appropriation.

Of prime importance also is the fact that each crown corporation by law has an appropriate minister. The corporations are accountable through their ministers to Parliament. These ministers must table a number of important accountability documents relating to their crown corporation, such as annual reports, summaries of corporate plans, operating and capital budgets.

• (1135)

Stepping back for a moment and looking at appropriate accountability in a broader context, I believe the fiscal challenges which the government is currently facing necessarily will affect the way it manages crown corporations. There will be an even greater need to find ways of delivering public policy in an efficient businesslike manner than there is at present.

Reducing or at least more carefully controlling the size of the public service would appear to be part of the solution toward meeting this need. Interestingly, I note that Bill C–263 would actually add to the size of the public service by adding those employees of the Canada Council, the International Development Research Centre and the National Arts Centre to the public service of Canada. This appears to be going in the opposite direction from that which the proponents of smaller government usually follow.

I might add that it also runs counter to the general philosophy of empowering crown corporations to be separate employers and to take direct responsibility for their personnel matters. This responsibility must be carried out fairly and efficiently in the best interests of the corporation.

It is one important example of how the use of crown corporations with their corporate structure based on the private sector model can remove layers of red tape in decision making. Less red tape in personnel administration and human resource management is one advantage of the crown corporation forum which may prove to be an increasingly attractive way of improving the efficiency with which certain government programs could be delivered. The focus will increasingly be on the expertise brought to bear on those directly responsible for the day to day running of those corporations, the expertise of the board of directors.

The public has demanded transparency and accountability from all government institutions. Foremost, the public expects integrity from those officers charged with the responsibility of running these institutions. In the early months of this government the Prime Minister made this value central to both the letter and the spirit of our actions. The quest must be for financial responsibility and common sense in the way all government institutions are run and held accountable.

We have seen a number of studies in the area of corporate governance in the past few years, including work done by Peter Dey for the Toronto Stock Exchange. What we know is that the public has effectively been expressing its frustration at being left out or ignored in both the process and structures of corporate governance in the private sector. Boards of directors and corporate managers are experiencing an upsurge in public sentiment for democratization that has affected many other aspects of the daily lives of Canadians everywhere: our families, our communities, our courts and our schools, in addition to private corporations.

The modern business corporation is now seen by many as both an economic institution and a social institution. This is closer to how our crown corporations have always been viewed in their quest to balance efficient and businesslike operations with the public policy agenda.

The growing public expectation creates pressure for more formal rules and regulations, values and ethics for both the process and the people who influence corporate decision making. The government is acutely aware of the changing scene in corporate governance. It has undertaken a number of important initiatives in this area as they relate to crown corporations, including those named in Bill C–263.

The Treasury Board Secretariat jointly with the Conference Board of Canada and the Canadian Centre for Management Development developed and published an introductory document on the roles and responsibilities of directors of crown corporations to provide important guidance on appropriate accountability for directors. It has been well received since its publication in July 1993.

In an effort to focus more attention on the goal of improving sensitivities in the area of corporate governance, a training conference was held this past fall for CEOs and chairs of crown corporations to improve the performance of crown corporate boards. One of the four major themes discussed was the challenge of balancing the corporate agenda and the public good.

These initiatives demonstrate that careful attention is being paid to the evolution of accountability issues surrounding crown corporations using an open process of consultation. Developing a new statutory accountability framework for the five crown corporations named in Bill C–263 should follow the same sort of consultative process. It should not be insensitive to the particular needs of those crown corporations affected or their many significant stakeholders among the Canadian population.

I can only suggest that the bill presented by the hon. member for Okanagan—Similkameen—Merritt while demonstrating concern for the interests of Canadian taxpayers does not equally meet the test of public consultation to which this government is much committed. I urge hon. members to vote against it.

• (1140)

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, I am pleased to follow the member for Windsor—St. Clair. She has already indicated to the House that we on this side applaud the intent of Bill C–263 but continue to regard the proposal from the member for Okanagan—Simikameen—Merritt as fatally flawed.

The bill's central proposal, and I am sure we have all reviewed this carefully, is to remove the exemption for five crown

corporations from part X of the Financial Administration Act which sets out a generic accountability regime for crown corporations. These five agencies are the Canada Council, the National Arts Centre Corporation, the International Development Research Centre, Telefilm Canada, and the Canadian Wheat Board.

There are a number of problems with this bill. In attempting to convert the employees of the three exempt crown corporations to public servants, there is the possibility that these employees would come under the workforce adjustment policy. When we consider the overall efforts of this government to downsize, this seems to be an unnecessary complication. It would add approximately 800 more civil servants if this bill were to pass.

I will pick specifically the International Development Research Centre. At the time Bill C–24 was proposed back in March 1984 this matter was raised as a question in the House by the then member for Capilano. A response was given by the then Prime Minister, the Right Hon. Pierre Elliott Trudeau.

The enabling legislation passed in the early 1960s allows up to 21 governors of the IDRC, which include the chairman and the vice–president, to be non–Canadian citizens and nationals of other countries. The purpose was to promote a research centre on north–south issues by way of example which would follow Canada's lead in the area of international development.

At the time Bill C–24 was before the House it was intended that the IDRC remain independent of the policy direction of the Government of Canada. For this reason it was named in clause 85(1) of the bill as an exempt crown corporation.

This effort by the hon. member from the Reform Party would attempt to turn the clock back. While we can applaud some of the positive features of the member's proposed bill, the overall effect would be negative.

There are other elements of Bill C–263 which trouble me. These are the consequential amendments to other legislation in the bill to make the officers and employees of the Canada Council, the Canadian Film Development Corporation, or Telefilm Canada as it has come to be known, and the National Arts Centre Corporation to be part of the Public Service of Canada. Frankly, recent experience suggests that this is taking measures in the wrong direction.

I am reminded of the trials and tribulations of the Government of New Zealand in the early 1980s with its massive debt and deficit situation. Drastic measures were proposed in a number of areas to deal with that awesome challenge.

One initiative was a complete restructuring of the New Zealand public service from the way deputy ministers are appointed and held accountable to the decentralization of departments. Sufficient time has now elapsed from the initial turnaround efforts to allow a dispassionate assessment of the measures put in place. There is a wide consensus now in New Zealand and among knowledgeable observers of public administration in many western countries respecting one very beneficial element of that initiative by the New Zealand government.

I refer to the introduction of legislation to make each department of government a separate employer under the collective bargaining regime established for the public service. This single measure is given credit for a major element of the success of the reform package. It has allowed individual managers to tailor the workforce to the specific mandate of each revamped agency and significantly reduced the inertia and rigidity in the service. If anything we ought perhaps to be exploring the merits of establishing more separate employers, not fewer.

While New Zealand no doubt had very difficult choices to deal with, I think most members would agree that Canada as well has significant debt and deficit challenges on its agenda. The effort by New Zealand to deal with the matter is a clear demonstration that the government's intention to achieve more flexibility in the management of its affairs is the way to go. Attempting to bring these agencies and their workers within the general purview of the government flies in the face of our attempts to downsize, to improve efficiencies and to do a better job with the resources Canadians give us through taxes on their hard won labours. It requires that we be responsible with those resources.

• (1145)

Introducing greater rigidity into the system as the bill is proposing would seem to be the wrong policy instrument for our present ills. No doubt the intention of the hon. member for Okanagan—Similkameen—Merritt is to enhance the efficiency of these crown corporations. In this respect I suspect the opposite effect will be achieved.

The hon. member's proposals to integrate the employees of these agencies into the monolithic structure of the federal public service would unravel a very delicate compromise achieved between the government and the cultural communities over 10 years ago with the passage of Bill C–24.

These organizations have developed their strengths by cultivating their distinct corporate cultures over the last few decades. The erosion of those identities by declaring the officers and employees part of the public service would at best be unfortunate. I suggest it would be a backward step.

It risks undermining the longstanding confidence they enjoy from their partners and clients in such practices as peer evalua-

tions and the reputations individuals have achieved resulting from their mobility within cultural industries.

For these reasons I respectfully recommend to all members that Bill C–263 be defeated.

The Acting Speaker (Mr. Kilger): Resuming debate. Seeing no member rise, the mover of the motion, the hon. member for Okanagan—Similkameen—Merritt, has given notice to the Chair seeking the floor under right of reply.

Again I must advise the House that if the member for Okanagan—Similkameen—Merritt speaks it will close debate. In fact no one else will be able to speak afterward and I will put the question immediately following his last intervention, which will be no longer than two minutes.

Mr. Hart: Mr. Speaker, Christopher Columbus was a man of vision. He did not accept the status quo. Many times people told Christopher Columbus that he was wrong in what he was doing, that he should not even attempt to look beyond or explore past the horizon, and that if he dared to do so he would surely fall off a flat earth.

Mr. Mitchell: Do you mean there were Reformers back then too?

Mr. Hart: The naysayers with whom Christopher Columbus dealt obviously were Liberals. Christopher Columbus was probably the first Reformer.

Bill C–263 challenges the status quo as did Christopher Columbus. However, unlike Christopher Columbus the ideas in Bill C–263 are not as radical. They are not a form of radical change but rather are a form of necessary change to Parliament and to the operations of government and of all crown corporations.

The accountability framework we are asking the five exempted crown corporations to be moved into is the framework all other crown corporations come under. There is no reason why they should be exempted.

It is a real shame hon. members of the House did not bother reading the reports of the auditor general from 1989 to 1991 wherein he expressed concern about the subject. I refer to section 4.100 of the 1991 auditor general's report which states:

> The Office strongly supported the strengthened legislative framework for Crown corporations, and has continually urged that those Crown corporations that were exempted from Part X of the FAA be brought into line with its accountability provisions. It is important that Parliament have assurance that appropriate accountability provisions apply to all parent Crown corporations. When exemptions are granted, means should be found to ensure adequate control and accountability.

I urge all members to support Bill C–263.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to an order made earlier this day the recorded division stands deferred until Tuesday, April 25, 1995, at 5.30 p.m.

I seek the guidance of the House. Originally the debate was to end at approximately this time followed by a 15–minute bell for the vote. By virtue of the arrangement made earlier for the vote to be deferred, I could either suspend to the call of the Chair or commence another item of business.

Mr. Boudria: Mr. Speaker, I suggest we suspend for 10 minutes and resume with Government Orders at twelve o'clock.

SUSPENSION OF SITTING

The Acting Speaker (Mr. Kilger): Is it the wish of the House to suspend the sitting to the call of the Chair?

Some hon. members: Agreed.

(The sitting of the House was suspended at 11.52 a.m.)

SITTING RESUMED

The House resumed at 12 o'clock.

GOVERNMENT ORDERS

[*Translation*]

ELECTORALBOUNDARIESREADJUSTMENTACT,1995

The House resumed from April 6 consideration of the motion that Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, be read the third time and passed.

The Acting Speaker (Mr. Kilger): When the House adjourned, the hon. member for Mercier had fifteen minutes left.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, as the debate drew to a close a few weeks ago, I made certain references in connection with this extremely important question put before the House by the Bloc Quebecois: that Quebec should have at least 25 per cent of the members in this House.

I felt obliged to remind the House that this minimum fell far short of the kind of recognition the people of Quebec could expect. I recalled that, in 1965, the man who became Premier of Quebec in 1966 published his book *Égalité ou Indépendance*. This was Daniel Johnson, father of the Leader of the Official Opposition in Quebec, whose own father was an Irish immigrant and did not speak French. Daniel Johnson, born of an Irish father and an Irish mother who settled in Quebec, became the Premier of Quebec, and it was this man who, after having been a member and a minister, gave his party a fresh start when he said: "The French Canadian nation must have equality within Canada, otherwise, it will be perfectly legitimate to look for ways to make Quebec a full–fledged State".

After pointing out that the French Canadian nation was open to all and that, when people came from another country, they could choose to become part of it as they could choose to be English Canadians, he concluded: "I will explain why and how French Canadians are trying to identify with the State of Quebec, the only one where they can claim to be masters of their own destiny and can use to achieve the full potential of their community, while the English Canadian nation tends to make Ottawa the centre of its community life".

This text was a milestone in our history, in the history of Quebec and Canada. Since that time, Quebecers no longer refer to themselves as French Canadians—people do in the rest of Canada and, as you know, we are very proud of what has been achieved by French Canadians outside Quebec who are coping under extremely difficult situations. But in Quebec, we now call ourselves Quebecois and the vast majority of the population identifies itself as such.

Electoral boundaries readjustment is an opportunity to consider that the Quebec people have a right to minimum recognition, whatever their choice will be, and based on the historical importance of Quebec, Canada should support this principle.

If the rest of Canada had only given some indication that it was prepared to recognize the Quebec people, our recent history would have been quite different. If we go back to the minimum demands made by Premier Bourassa during the talks on Meech Lake and if we go back to the rejection of the Charlottetown accord, we find the same desire for minimum recognition, and the position that the Quebec people are entitled to certain guarantees.

• (1205)

However, in recent history—let us say, until the 1960s—it was equality that the people of Quebec sought. There were others, besides Daniel Johnson. There was also, it will be remembered, André Laurendeau, who was appointed by the Prime Minister of the time, Lester B. Pearson, to head the Royal Commission on Bilingualism and Biculturalism. André Laurendeau also desperately sought equality from coast to coast, with the focus on Quebec naturally, for the French Canadian nation, for the Quebecers of his time, as other French Canadians regularly did in this period of history.

André Laurendeau tried to convince Canadians. He succeeded in convincing many of the commissioners working with him. Unfortunately, he failed to convince Prime Minister Trudeau, who could have implemented the recommendations of the report, which, like many others, ended up on the shelf.

This episode, like a lot of others, reminds us that, for Quebecers, who have the possibility of a different future, the choice offered by Canada has always been: "Be a province like the rest or else".

The reality of history is that, once again, it was not the French Canadians nor the Quebecers who did not want to build a Canada which included not only an adequate but an appropriate place for Quebec. Why? Some accuse us of focussing on the past; the truth is the opposite. Why do they not level the same accusation at those who refused to accord Quebec a real place? Why did they refuse to do so? Perhaps they refused because the French colonists were from France, and France had been conquered and had decided to give up in the war in the colony. Are they not the ones who continue to treat the descendants of the French colonists not as French stock but as a conquered people? Otherwise, they would recognize what the world recognizes: that all the characteristics of a nation and of a people may be found here, in this land.

Any dictionary definition of the words people and nation fits those living in the territory of Quebec like a glove. We are a people; we are a nation. If the rest of Canada had not been focussed on the past and had really wanted to build a new country, it would have acknowledged this, because what counts for Quebecers and Canadians is building a future.

• (1210)

We must give ourselves the means to ensure the survival of our people and their cultural, social and economic development in the future. It is essential that Quebec develop its people, its culture and its economy according to its own dynamics and identity.

That is why the majority of Quebecers will opt for sovereignty. It must be noted that, for many of them, it will not be the first choice because Quebecers, who used to be called Canadiens or "Canayens", feel at home throughout the land but had to confine themselves to Quebec, where they could develop, as Daniel Johnson, Sr. used to say. In fact, it is important to realize the extent to which the first French Canadians were scattered throughout the territory, and the evidence is still there.

It is also important to realize that French Canadian women, who had the highest birth rate in North America between 1870 and 1960, saw, with breaking hearts, their children and young families leave for the United States. This is not very well known, but, for over 100 years, 10,000 French Canadians left every year

because they could not ensure their own development in the Province of Quebec and because Canada, Western Canada was closed to them.

And while French Canadians were leaving for the United States at the rate of 10,000 per year, there was a "Canadian"—as my former professor Michel Brunet used to say, using the English spelling of the word—immigration policy allowing immigrants from the British Isles and Europe to settle in Western Canada for a nominal sum. According to figures that appeared in *Le Devoir* in 1928, the cost of moving to western Canada was $968 for a French Canadian family with ten children but only $48 for a British immigrant.

If one wants to prepare for the future, one must look at the past. For Quebec, the past involved a search in difficult conditions by French Canadians either in the other provinces or in Quebec. There was an almost desperate search for our legitimate place as French Canadians and later, in the 1960s, as Quebecers, because we clearly developed an identity as Quebecers.

• (1215)

We have maintained that this quest, which for some is still ongoing, could be realized in a small way through the amendment put forward by my colleague. Again, whatever happened in the past, we must live side by side. If it is still possible to convince my colleagues and the Canadian people that there is a Quebec people who want an equal partnership, there must be signs not only from this side but also from the other side.

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I would like to comment on what the member for Mercier said, a member whom I regard as a separatist while she claims to be a sovereignist. This separatist member of Parliament spoke of the people of Quebec with great pride, and I appreciate her pride in Quebecers, because I too am proud of them.

I must say right away that I am myself a fourth generation Franco–Ontarian. To the separatist member who just spoke, I say, Madam, that that did not prevent me from—

The Acting Speaker (Mr. Kilger): I must remind the House that all remarks must be put through the Chair and not directly to another member.

Mr. Bellemare: Thank you for calling me to order on this very important matter. Mr. Speaker, the hon. member for Mercier is very proud to show her allegiance, her patriotism. But I think that her patriotism is slightly out of place. She seems to forget that she belongs to the larger Canadian nation, that it is because of Canadian unity that the provinces and territories were able to develop and the two official languages of Canada were able to develop, not because there were people muttering in one region or another of the country, only looking inwards and only concentrating on petty local concerns.

Francophones outside Quebec have done well and been successful. I think I am a case in point. I did well financially, at school, in the elections, in politics. Never, ever, have Canadians outside Quebec, or inside Quebec for that matter, hindered my success. In fact, it is this national attitude that made me to want to succeed, to want to remain a part of this country.

The member for Mercier kept referring to Canadians who left the country and settled in the U.S. I must point out to her that most of those who did that were from Quebec. It is interesting to note that the member for Mercier uses the term Canadians when talking about negative things and Quebecers for positive ones; only Quebecers can do good.

I must say right away that everyone in Canada does good. If we are to become even stronger as a nation in the future, become a wealthier nation and achieve a level of education envied the world over, it will be through Canadian unity, not through this desire to separate and this constant infighting.

Mrs. Lalonde: Mr. Speaker, I want to tell the hon. member that our future would be much brighter and our prosperity much more certain if the rest of Canada stopped refusing to recognize what Quebec demanded as a people, because these repeated refusals have led to crises which are an expression of the will of that people and nation.

• (1220)

You cannot silence a whole nation. The issue will always resurface because the right of nations is a fundamental one. Democracy is based on that right. Canada's prosperity would indeed be much greater. It could have been much greater if Quebecers had been recognized as a people and a nation, instead of denying that reality. This is true today and it will still be true tomorrow, for the only uncertainty which exists is linked to the possibility that you may reject our decision as a people. This is the only uncertainty; there are no other ones.

Sure, we can talk about prosperity and about the future, but do recognize that we are a people and a nation, and that the decision will be ours. In any case, you cannot overlook that basic reality.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I do not know whether it is simply Monday morning or whether it is my tolerance and my patience wearing thin as day after day in the House we listen to this little band of separatists as they stand in the House to talk about destroying the country.

There is nothing more divisive or nothing more destructive to the country today than to listen to this group stand every day to say that it wants to be a separate nation within Canada. The strength of the country is in the participation of all provinces and all peoples, not the separation this band talks about.

They do not have the support of the majority of the people of Quebec. Only when they soften their separatist stand and talk about some sort of mushy sovereignist association can they even get anywhere close to a 50 per cent vote in the polls.

This band of separatists should be ashamed as they stand in the House. They collect their paycheques every month from the Government of Canada, from taxpayers in western Canada, as they stand here to talk about destroying the country. They should be ashamed of themselves. Perhaps they should consider going back to their ridings and staying there until they develop a different attitude, a Canadian attitude, before they show their faces in the House of Commons. The Parliament of Canada represents all people of Canada.

[*Translation*]

Mrs. Lalonde: Mr. Speaker, we were elected by our fellow citizens to discuss an extremely important issue to them, namely their recognition as a people and a nation. In fact, this issue is so important that, over the last 30 years, it has been very time-consuming and has kept us from dealing with other major concerns.

You cannot overlook that reality. You can claim that we are a small minority, but the fact is that we are not. We represent a people and a nation similar to many others in the world, which seek, peacefully, to be recognized and which have sought that recognition since the very beginning. This is what we are telling you, and we are also telling you that you will keep hearing about it. So, you better watch, listen and understand that this people and this nation have a right to exist.

Mr. Harris: Go home.

Mrs. Francine Lalonde (Mercier, BQ): No, I will not go home. Mr. Speaker, that should be translated. I find it despicable to be told to go home while, as the representative for my constituents, I reflect on our history, pointing out that we want prosperity but that prosperity will only be possible if we are treated as equals.

• (1225)

This is a despicable and unacceptable insult. If you think that this is how you will make your country prosper, you are grossly mistaken.

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, to begin with, I find myself wondering whether the real issue being debated is Quebec's borders or the electoral boundaries to be set by the new commissions.

Firstly, much has been said in this House and in the Committee on Procedure and House Affairs on the subject of the new electoral boundaries, especially for northern Ontario and more specifically for my riding, Cochrane—Superior. The fate of my riding, and of northern Ontario in general, depends on the recommendations the commission will make.

First off, it must be said in this House that all Canadians, wherever they live in Canada, have the right to fair and equitable representation. Obviously, these two words are charged with meaning. In particular the word "equitable" is defined in Larousse to mean "in accordance with justice". Fair representation is the most important point which must guide us in this debate, and this means that rural regions in Canada should always have direct access to their members of Parliament. It is not enough for members of Parliament and their constituents to communicate with each other by telephone or fax, because this will ultimately depersonalize all that Canada represents.

[*English*]

The House affairs committee was somewhat conciliatory when it permitted the new commissions to be set up to accept an amendment wherein the same commission may depart from its application to the rules when considering the economies, the traditional and natural boundaries and rural characteristics of a territory, and the access to means of communication and transportation.

The commission may in its wisdom go beyond the 25 per cent quota when we talk about the population. This means that a riding may have less than the 25 per cent permissible quota in relation to the quotas of a specific province. This is the case for my riding of Cochrane—Superior and the riding of Timiskaming—French River.

In future it will be almost impossible to reach the quota of 97,000 people in a riding in northern Ontario and for that matter in most ridings in northern Canada. Suffice it to say that once the commissions and the hearings are set up, my colleagues from northern Ontario and I will fight to the end along with many concerned citizens and organizations to save the riding of Cochrane—Superior. This is not only for the sake of saving a riding but also saving a voice of rural Canada in Parliament.

In general across Canada there are 13 ridings with 100,000 square kilometres and more. Cochrane—Superior has 351,000 square kilometres with 41 organized main communities. It stretches from the border of Quebec to the east and goes west to the riding of Thunder Bay—Nipigon, which is some 425 miles.

• (1230)

In 1994 I logged 23,000 kilometres in order to try to serve my constituents as best I could. It would take 18 hours non-stop to go around the riding of Cochrane—Superior. To divide it into

four as was recommended, annexing the four parcels to existing ridings, would simply mean that in most cases those ridings would double in size and 16,000 people would be added per riding.

In other ridings, namely the urban ridings, a member of Parliament can attend a function at either end of the riding in the same day, in many cases within the hour and in some cases within minutes. That is not to say that urban members of Parliament have it easy. We in northern Ontario recognize those ridings have a much larger population and those members therefore spend more time with constituents. A member of Parliament should be accessible to his or her constituents no matter what.

In large rural ridings many people feel isolated and that is why there is a need for the member of Parliament to meet with his or her constituents. Those people also have to be heard and counted, and they need to feel they are a part of this country, that not everything is being decided by the urban ridings. Handicapped people and the elderly, given the long distances which they have to travel in rural ridings, practically have no chance of meeting their member of Parliament unless he or she visits them. To further increase in size rural ridings would mean disaster for many Canadians living in those ridings, especially in isolated areas.

[*Translation*]

Mr. Speaker, I would like to read to you a summary of an extremely interesting conversation I had with a public servant: "An electoral district is much more than a geographic division for electoral purposes. An electoral district represents an economic, social and cultural group of several thousand people. An electoral district is as much a tool for grouping common interests as it is a means of expressing the identity, lifestyle and shared values of its inhabitants. From this perspective, the electoral district should be given the same status as a town, a province or a country. Any substantial change in the boundaries of the electoral district could cause major economic and social changes in that area. The boundaries of existing electoral districts must be revised equitably and changes must not upset their economic and social equilibrium".

I have two concrete examples to illustrate my point. Let us consider first of all the selection of candidates. If my riding were split in four and annexed to the four neighbouring ridings, without fail, the chances of the party nominating a person from a rural region as a candidate would be about nil, if he or she were competing against a potential candidate from an urban region or larger town with many supporters and able to sell membership cards, etc. People from rural regions, in the true sense of the word, would have very little hope of ever being elected to the House of Commons.

• (1235)

The second example I want to mention concerns rural regions and their economic relationship with Canada. We are rich in natural resources. The viability and vitality of our economy depends on those natural resources, and the rest of Canada should appreciate our contribution.

I could also draw a comparison with New Brunswick and Prince Edward Island. Obviously, we cannot rewrite the Constitution Act, 1867 and the agreements concluded at the time, under which New Brunswick was guaranteed ten ridings and Prince Edward Island four ridings. However, together these two provinces have more or less the same area and population as northern Ontario.

At the present time we have eleven electoral districts, while New Brunswick and Prince Edward Island have fourteen. This is an example of inequity. As I said before, it would be very difficult to change this without amending the Constitution Act, 1982. My point is that we should at least recognize the fact that, compared with other regions in this country, northern Ontario is under–represented and cannot not afford to lose another seat in Parliament.

[*English*]

Canada is a huge geographic misunderstanding. This misunderstanding will not be resolved for many years to come. The fact that rural Canadians represent a minimal part of the population of Canada is not a good enough reason them not to be justly and adequately represented in the House of Commons.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I thank the previous speaker from Cochrane—Superior for his remarks, not because I necessarily agree with them all but because they were on the topic of the bill which has been sadly lacking in this debate.

This is a debate about Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, specifically to scrap the process under way last year to redraw our boundaries based on the 1991 census and establish a whole new process.

We are now winding up a parliamentary debate on this that started over a year ago which in our view has yielded only minimal improvements to the electoral boundaries process.

The motion that had initiated this bill had asked the procedure and House affairs committee to examine methods of capping and reducing the size of the House of Commons, to improve the process by which boundaries commissioners are selected, to consider how the boundaries commissions conduct their work and to consider the involvement of the public. In three of these areas there were some minor improvements. However, the bill fails to address the already excessive and growing numbers of

members in the House of Commons. That failure in particular prevents our party from endorsing the bill.

The changes made to the boundaries process while useful for future census in our view do not justify scrapping the commission or rejecting the reports of the existing boundaries commissions.

While we are opposing this bill members of the Bloc Quebecois have been opposing this bill for an entirely different reason, one to which I will address my remarks.

The Bloc position on this entire process for bills C–18 and C–69 has been very inconsistent. It supported going through this process and then opposed it again.

Initially the concern was about boundaries. Now the concern is about Quebec's not having a guaranteed 25 per cent of the seats. Under the formula coming forward I will point out what we are actually talking about in terms of substance. We are talking about the demand from the Bloc Quebecois that Quebec be guaranteed 25 per cent of the 301 seats we will have out of this redistribution; in other words 75.25 seats. Quebec will get under the formula 75 seats. This is probably the most verbiage we have expended in the House over one–quarter of a seat.

• (1240)

I am not entirely sure this position is not changing again. Over the Easter break we learned from the leader of the Bloc Quebecois that apparently Quebec now wants 50 per cent of the seats. The position keeps shifting.

I want to address it seriously because there has been much misinformation and many misstatements made about this. I will outline the facts. The Bloc has made at least four assertions which need to be challenged, assertions of fact, assertions directly related to the bill and to the issue of 25 per cent of the seats.

The first and most obvious Bloc assertion is that this kind of guarantee could be achieved without a constitutional amendment. We know that is not the case. This was a provision of the Charlottetown constitutional accord opposed by the Bloc Quebecois which I will talk about later. It was in that accord precisely because it required a constitutional amendment.

The Constitution Act of 1867 lays out the formula for the redistribution of seats in the House of Commons every 10 years. That formula is contained primarily in section 51. Section 52 makes it clear that while the number of seats in the House can be changed, the House is not free to amend its formula in a way that would depart from the proportion of population among the provinces. Section 52 makes clear that principle is protected.

Furthermore, under the Constitution Act of 1982 under section 42(1)(a) the amending formula is explicit that changing the proportion of seats in the House can only be done with a constitutional amendment approved by Parliament and by two–thirds of the provinces representing at least 50 per cent of the population.

The second incorrect Bloc assertion is that under existing constitutional formula only New Brunswick and Prince Edward Island are guaranteed certain representation in the House of Commons. This is also not true. Section 51(a) of the Constitution Act of 1867 makes it clear all provinces are guaranteed in the House of Commons at least the number of seats they have in the Senate. That was a provision added in 1915.

Obviously under that provision it has an immediate effect on the representation of New Brunswick and Prince Edward Island, whose seats would fall below 10 and 4 respectively if that were not there. It also applies to all provinces. Quebec is in effect guaranteed 24 seats by that provision, many more than New Brunswick or Prince Edward Island, although Quebec has many more seats.

As well, the Constitution Act of 1982, section 41(b), the amending formula, makes it clear this particular provision as it relates to any of the provinces can only be changed with unanimous consent. We are all aware of the difficulties in getting unanimous consent. I will talk later about some of the things we would like to see. Clearly that is not in the cards today if for no other reason than all governments in the country realize they could never get the support of the Government of Quebec for any step, for any constitutional change, for anything positive or negative.

Another point where the Bloc is not correct in claiming that only New Brunswick and Prince Edward Island are protected is there is an additional grandfather clause in section 51 of the Constitution Act of 1867. It is not an especially protected section but it guarantees to all provinces the representation they had in the House of Commons in the mid–seventies, a provision my party does not support and a provision that can be changed through an act of Parliament but which this bill does not change. Under that provision Quebec is guaranteed the 75 seats it has today. Were it not for that provision Quebec's share would probably fall by one or two seats.

The third Bloc assertion in this debate that has not been correct is that the demand Quebec be guaranteed 25 per cent of the seats in the House of Commons is one of the historic demands of the province of Quebec. I found this particularly interesting. I worked for the no side in the constitutional referendum. An argument frequently made both inside and outside Quebec was that this provision of the Charlottetown accord guaranteeing Quebec 25 per cent of the seats had in fact not been a historic demand of the province of Quebec and had

really just come out of the hurried negotiations in the summer of 1992. I decided to do a little bit of research and confirmed that was the case.

• (1245)

Perhaps we have overlooked something, but I cannot find any record of a major Quebec actor demanding a guarantee of 25 per cent of the seats in the House of Commons prior to the Charlottetown accord.

I would say that there are some origins, which may be in the Victoria conference proposal. In 1971 the Victoria constitutional agreement proposed that every province that at the time had at least 25 per cent of the population be guaranteed a constitutional veto indefinitely. This would have given Ontario and Quebec a veto over any changes to the Constitution. Of course it was ironic that that accord also failed, partly because of the attacks by the Parti Quebecois and the separatists in Quebec at the time. But ultimately, the accord was rejected by Quebec federalists as well.

Once again, the fact of the matter, as far as we can tell, is that this is not a historic demand, although like so many things in this country it has become a demand from the very separatist element that rejected it in the first place, much in the way certain versions of the Confederation agreement are now endorsed by the separatists who rejected that agreement at the time.

I want to get to the fourth Bloc contention, that somehow the failure to give Quebec a guaranteed representation in the House of Commons represents a violation of the agreement of Confederation. It is particularly interesting how it can represent a violation of an agreement that never existed. There never was any such provision in the Constitution of 1867.

In making this argument the Bloc Quebecois has pointed out the fact that in the old Canada, the union of the two founding provinces we hear so much about, the union of 1841 to 1867, Quebec had 50 per cent of the seats and there was a dual premiership, as members will recall.

Confederation came about because that arrangement broke down. It was completely unworkable to have the principal House where the guaranteed number of seats is invariant to population and where there will be some kind of equal marriage. It did not work. It brought about Confederation. And if Confederation were ever to fail for Quebec, as the separatists suggest it will, then of course the rest of Canada would never enter into an agreement that would recreate a union that already fell apart in the 1800s.

It is important to remember what the agreement of 1867 did. It did not guarantee Quebec a percentage of seats in the lower House, as we had had prior to 1867. It had three separate elements that dealt much more creatively with the concerns of Quebec and with the other regions and the new partners of Confederation.

First, it created the House of Commons, where representation would be on the basis of population, a principle understood in every democratic country in the world.

Second, it created a federal system. This is something we should not forget. Colleagues in the Bloc always say that Quebec's power at Confederation fell from 50 per cent to 35 per cent. In fact it did not. Its share of the seats at this level of government fell from 50 per cent to 35 per cent, but the most important feature of Confederation was the creation of a federal system and the creation of the province of Quebec as a separate legal entity. The Confederation agreement gave Quebecers local autonomy through their provincial legislature over a number of exclusive provincial jurisdictions.

I should add that my party is opposed to the historic attempts of the federal Liberals to undermine those exclusive provincial jurisdictions. Those jurisdictions should be respected, and in our view the federal spending power should not be used in a way that intrudes upon those exclusive competencies.

Third, the agreement of 1867 created the Senate. It created a separate chamber, one of the purposes of which was to provide guaranteed representation for various regions of the country. I have spoken on this many times, as members will know. That is in fact the chamber where regional representation for Quebec and for other provinces was to be guaranteed.

• (1250)

That part of the accord has not worked out the way the regions of this country would like it to work out. One of the things that constantly mystifies us as western Canadians is the demand of Quebec separatists to abolish the upper chamber, rather than make it the very basis of regional representation that we in the regions of the country want against the enormous population weight of Ontario. That is rejected time and time again, although it is a feature of virtually every democratic federation in the world.

The history of that, I should point out, is quite interesting. Quebec was originally guaranteed 33, a third of the seats in the upper House. Later, as this country grew, as western Canada entered, that guarantee fell to 25 per cent, since we recognized four regions. Today, of course, we have seats for Newfoundland and the territories, which are outside of the original regional agreement.

There has been a guarantee in this Parliament for Quebec to have a certain representation. That representation is guaranteed in the Senate. Our provinces in the west would like to see that chamber become more effective. We would like to see ourselves guaranteed effective representation as well. That is the way to address this issue.

Members will recall that the Charlottetown accord was rejected through most of the country. The Bloc Quebecois, which suddenly finds it is fond of the 25 per cent guarantee in the Charlottetown accord, forgets that that guarantee was part of a package—not just the whole accord, but specifically part of a package of reforms to both the Senate and Commons.

These reforms were rejected for a number of reasons, not simply because of the issue of departure from representation by population but also because of the expansion of the size of the House of Commons, an expansion that would have gone dramatically to 337 members overnight and would have moved even more quickly into the future. That was one reason for rejection, something we are now replicating with this act, although not as badly.

Of course it was also rejected because of the obviously inadequate provisions as they related to the Senate, the failure to guarantee election to the upper House, the failure as well to guarantee effective powers for that body to protect the various regional interests that chamber is supposed to secure.

I do not want to go on too long because I have talked at length over the past year about this bill. We remain opposed to the provisions of this legislation, to the idea that we should scrap the existing boundary commissions and start from scratch. The few worthwhile improvements here can certainly be deferred to the 1996 census. We would save the taxpayers $5 million.

I do want to emphasize that in opposing this bill we in no way endorse the obstructionist tactics of the Bloc Quebecois, who are opposing this bill for entirely different reasons related to the separation of Quebec. The 25 per cent guarantee they have demanded for Quebec and the rationale they have used to back that demand simply do not stand up to factual scrutiny.

I should add in closing that it is increasingly clear that the reason the members of the Bloc Quebecois are so interested in guaranteeing a certain number of seats for Quebec in the House of Commons is that I think they are coming to realize that Quebec will be here in the House of Commons by the time the next election comes around and will be here for many more elections after that. We look forward to that.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I listened in particular to the last part of the MP's speech. He knows his Canadian history. He knows the recent history of Quebec since Charlottetown and Meech. English Canada has said no to Quebec several times.

• (1255)

Does he not think that the people of Quebec, one of Canada's founding peoples, have a legitimate claim to this 25 per cent guarantee? I think that Quebec's request is quite modest. There is almost unanimous support for it, and I fail to understand why the hon. member from western Canada wants to completely ignore, under false pretexts, Quebec's legitimate request. I sincerely hope that he will explain the reason why.

Mr. Harper (Calgary West): Mr. Speaker, as I said in my speech, I support the principle of representation by population in the House of Commons. It is a democratic principle enshrined in the Constitution.

In fact, Quebec could end up with close to 25 per cent of the seats in the House after the proposed redistribution.

In addition, when the hon. member talks about post–Meech Quebec, one thing is clear to me, and that is that Quebecers want to keep their Quebecois and Canadian identity and it is only within a federal state that both will be possible.

[*English*]

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, the debate concerns Bill C–69, which is comprehensive in its scope but nevertheless has a precisely defined mandate, and that is concerned with electoral boundary redistribution. It is not a place to re–examine or to start again debates that were conducted in other arenas in which I and other hon. members had the privilege of taking part. It is not a reprise of the Charlottetown accord debate or of other debates relating to what was called the statut constitionnel particulier for the province of Quebec or any other special arrangements. There may be a case for these special arrangements, but it is not a matter germane to the discussion today.

What we are concerned with here is a change, a reform, if you wish, a modernization of the process of establishing electoral boundaries in Canada. It is correct to say that we are somewhat undeveloped in constitutional terms in our attitude toward the electoral processes and in the timid way in which we move up to the necessary and inevitable constitutionalizing of the electoral processes. In some other constitutional democracies, some more ancient than our own, others much more recent, the process is fully constitutionalized and there is a role for Parliament that in some senses we seem to be abdicating here. There is no particular problem in Parliament itself establishing electoral boundaries, provided it is governed by a code of constitutional principles, ideally in the constitution itself, and provided there is a full and effective power of judicial review. The progress toward full equality and participatory democracy in the United States has been achieved in just that way.

More recently, in the post–World War II German constitution, the constitutionalization of the electoral processes is achieved in the constitution, in electoral laws and in a substantial series of decisions by the courts.

I do believe that this will come to pass in Canada, that the courts will recognize that the electoral processes go to constituent power, which is a pre–constitutional power but it is the basis on which constitutional government operates: fair, open, and honest elections, open to public scrutiny in all aspects of the processes.

I think the best way is to draft it into the Constitution itself and certainly have an active, vigilant constitutional court that has the sophistication not to be afraid of electoral issues, as for many years our own courts were. They are not difficult to examine. The issue of basic fairness and the probity of the issues have been discussed and examined by supreme courts as diverse as those of Germany, the United States, Japan and India. The process works.

• (1300)

What has been done is that a very strong committee of the House—I call it that in the language that the courts use but it is a strong committee—which happened to have excellent representation from the main opposition party, the second opposition party and government members, made a long examination of this issue and has brought forward a bill.

It does not touch the issue of whether one province should have 25 per cent representation in the House. It would not have been germane to its mandate. In any case, I would have thought that with the evolution of constitutional democracy in Canada such an issue now could only be decided by full participatory democracy with the assent of the Canadian people expressed in a popular referendum vote. The Charlottetown process at least established that principle and I think all parties wish to work with it.

I listened with great sympathy and admiration to the arguments advanced by members of the second opposition party. However, I feel this was not the arena in which to discuss limitations or increases to the size of the House other than those that followed logically and inevitably from the census figures, which is one of the vines that we have in terms of the electoral process as it now stands.

What has been done here is that an attempt has been made to open up the process of the establishment of electoral boundaries by looking to the issue of who makes the decisions. If it is constituent power it goes to the power of Parliament itself and it is probably a power more awesome than that of the judges. Yet to date, it has been exercised by commissioners who were appointed on the discretion of the government of the day and answerable to nobody other than their own conscience in so far as the courts have not, as I have mentioned, exercised a review control in Canada.

What has been done in this bill is a compliment to the collegial atmosphere in the committee on this particular point. A system has been set up where while the executive retains the power of appointment—at least Parliament does—there is a process of public advertising and consultation. There is the obligation to consult with the leaders of all the parties. Does it go far enough? We shall see. However, it is certainly an advance on the present system.

I say that having served as an electoral commissioner myself. I was asked by the then Speaker of the House, Madam Sauvé, if I would serve as the electoral boundary commissioner because she wanted to get it out of politics. It is not a job that gets any particular awards but it is something to do in the spirit of public service. This is fine but it is still a system without controls. That is why the present proposals are an advance.

If we look again at the reports of recent boundaries commissions, the justifications are at best skeletal, a few lines. They do not really explain the why or how and on what basis and what criteria the decisions were arrived at.

In this particular bill which the committee has brought forward, the boundaries commissions are now required by law to provide three alternative maps for every constituency in which they report. They are required to provide a justification for their choice of opting for one rather than the other two.

Again I think it is a significant advance. It may be that one could have gone further, but in the nature of the committee as it was operating and the desire to build a consensus, the chairman of the committee felt this was the way to go. I think it is a good choice. Therefore, I am optimistic about the progress that will be made when this bill is adopted. We do need an open process. We also need as much public participation as possible and a high degree of scrutiny.

I think there is still a role for the courts. I would like to see this in the same way the justice ministry has financed litigation involving the Official Languages Act. Maybe test cases could be taken up when issues of electoral boundaries come up that raise constitutional principles: Is the principle of equality of representation adequately recognized in what the commissions have done? There are constitutional principles that can control this. Courts in Japan, India and other countries have little difficulty in applying them and the road would be open here.

• (1305)

This bill is an example of a committee interpreting its mandate in a full respect for criteria of relevance. It has not tried to go beyond the mandate as defined. It recognizes that other

problems, cognate as they may be, are to be handled in other bills. Therefore, I think it is a significant advance.

It does not, I repeat, replay Charlottetown. The Charlottetown accord was quite decisively voted on by the people of Canada and is now in the dustbin of history. Parts of it were interesting and valid and may be worth bringing back but that is a matter for debate elsewhere and on another occasion, not here.

While I appreciate the eloquence of the hon. member for Mercier and the contributions he made to the debate, I do not think it really bears too much on the mandate of the committee.

I appreciated the remarks of the hon. member for Calgary West. On many of the matters he has raised a great deal of research has been done by him and by others. There are points that I might share with him but again, I do not feel that for this particular bill this is the occasion to get into these matters.

I take pride as a member of the committee concerned. It worked very well. It is an attempt to replace a system that was somewhat arbitrary in the sense that the commissioners were selected by a process in which there was no real review. They were not required to provide criteria for their decisions. In essence we had situations where decisions could be, as was said of Lord Eldon's chancellorship "an inequity as long as the chancellor's foot". That is not good constitutionalism.

This is a good step forward. It is on that basis I commend it to the House.

[*Translation*]

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, the hon. member opposite, in referring to the speech by the hon. member for Mercier, indicated his interest in what she said and, in turn, I may say I was very interested in the way the hon. member opposite used examples from other countries and went back in history to support his argument.

I would be interested to know whether he was aware that, at the beginning of the nineteenth century, the Hungarians within the Austro–Hungarian Empire were in a situation quite similar to that of present–day Quebecers in the Canadian federation. In other words, they were an unhappy minority. They rebelled and were defeated, but subsequently, the Austrians, who were the ruling majority in the Empire, decided to negotiate and in the process recognized the so–called double monarchy, a structure in which both peoples, the minority and the majority, enjoyed a certain level of equality to defend interests they might or might not have in common.

In the same century there was another situation very similar to ours, and I am referring to the Norwegians who were not happy about being part of the kingdom of Sweden. They were an unhappy minority. Like the Hungarians, they rebelled, and were defeated. Subsequently, the Swedes agreed to negotiate and recognized a status also referred to as a double monarchy, which also included a parity structure that was different from Parliament but nevertheless a parity structure. I may recall that, in the twentieth century, both Hungary and Norway became independent. They were recognized as independent states.

I want to ask the hon. member opposite whether he feels—and he may not agree—that in this Parliament, representation should be based on population?

• (1310)

Does he agree there are two founding peoples here and at what level would he see a parity structure that would recognize that fact, or does he deny there are two founding peoples in this country?

Mr. McWhinney: Mr. Speaker, I would like to thank the hon. member for his remarks. I am quite familiar with the history of the Austro–Hungarian empire and its particular constitutional theory. I make reference to it in a number of my books and am very often quoted by learned Quebecers in the debate on the development of the quiet revolution.

Nevertheless, all of the facts must be examined. The Austro–Hungarian empire was not a developed democracy as we know it today. We must also recognize that the dual monarchy was, in a way, intolerant of the rights of other minorities. The claims of the slavic minority were not recognized, which gives us cause to look at the failure of the Austro–Hungarian empire, in view of its defeat in the first World War.

Comparisons may be made between Canada and the Austro–Hungarian empire of the 19th century, and in particular the Ausgleich agreement, as it is known in German, of 1867. However, very very few of them may be made. As to whether the Canadian constitution can accommodate a situation similar to that of the Austro–Hungarian empire of the time, I would like to point out that the federal system is very flexible and capable of accommodating many different constitutional arrangements.

The prerequisite today, however, is that these claims be approved by popular vote. This is the fundamental reason for the failure of the Charlottetown accord. Under these circumstances, should the question arise in the future, yes, our federal system can accommodate any constitutional variation, provided it has been submitted to and approved by a popular vote.

[*English*]

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, in deference to the hon. member for Vancouver Quadra, I will not ask a question outside the scope of the bill, but rather one within its scope.

He made some comment about the constitutionalizing of these provisions. One thing that is being kept in the bill which is in the existing legislation is the variation of 25 per cent from the quotient for the size of populations of electoral districts. He will also know that in this bill not only do we keep that variation in normal circumstances, but we continue to leave open the possi-

bility of extraordinary circumstances where those variations will get much larger.

The hon. member will know that in the United States the general direction I think it is fair to say has been partly imposed by the courts over time. In the House of Representatives ridings are created that are almost equal in population, of course with their peculiarities which we would not necessarily allow here.

On the question of variation, as an academic expert I would like him to inform the House why we have gone in the direction of allowing very large variations in Canada, whereas the United States with a country of similar size has been able to create constituencies that are virtually equal in size. Would he like to see our country consider moves in that direction in the future?

Mr. McWhinney: Mr. Speaker, I thank the member for Calgary West for the very thoughtful question. He will know that we discussed this matter in committee and on some of these points our views were closer than the report of the committee might indicate.

• (1315)

The United States constitution, in its evolution, is assisted by the fact of equality of representation in the Senate, so that Americans do not have to justify to the extent other countries do disproportionately large electorates for some states and disproportionately small electorates for others.

The United States Supreme Court has said, at least Mr. Justice Douglas has said, that equal things are to be treated equally, according to the doctrine of equality before the law, but unequal things do not have to be treated with the same canon of legal equality. Putting it this way, I can see the case, as a city member, made for country constituencies, that a lesser number of voters should be tolerated. I can see the case for going to 15 per cent. I had some problems with the 25 but I recognize that in committee, a consensus emerges and one accepts it.

We are not yet in the same situation as Japan where the supreme court had to rule on a situation where the electoral districts in Tokyo had five times the number of electors as the districts in the neighbouring country regions. Obviously that is a disproportion that cannot be tolerated.

Where do we draw the line? The committee, with some accommodation from urban members like myself and the hon. member opposite, tried to recognize the special quality of life of country constituencies and that perhaps a lesser number of electors was required. The 25 per cent has to be seen in that light. However, it would be simpler if we had a Senate with equal representation or something of that sort. The reform of the Senate is a subject on which the hon. member and I have many views, but it is, again, not a matter for this discussion.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, it is an honour for me to speak again at the third reading stage of this bill on behalf of the official opposition, the Bloc Quebecois, the sovereignist party in Ottawa, on an issue as important as the act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

I would like to explain in very simple terms to the people listening to us that this bill establishes regulations for future federal elections.

At first sight, this bill might seem of little interest to Bloc members. English Canada provinces could settle the matter among themselves since, when the next federal election is held, Quebec will probably be a sovereign country.

However, in October 1993, I was elected—I reiterate this fact because I know that my colleagues across the way like to hear it—first, to look after Quebecers' interests and, second, to promote sovereignty in Ottawa, as I often do.

However, in fulfilling the mandate of looking after Quebecers' interests, Bloc members must be vigilant. It is because of this vigilance that we are denouncing this bill, which goes against Quebecers' interests.

The process that led to the drafting of Bill C–69 went through Bill C–18, which was tabled in this House over a year ago. Bill C–18 suspended the electoral boundaries readjustment process then in progress for 24 months before a new debate on redistribution could start.

Unfortunately, the Reform Party objected to that bill and its proposed 24–month suspension. Nevertheless, the House, as we know, passed Bill C–18.

However, when the bill went to the other House, the hon. senators did the job that Reformers had initiated in this place. The other House included in Bill C–18 an amendment providing that a new bill must be tabled by June 1995 at the latest, or else the old legislation and the commissions suspended by Bill C–18 would be reinstated.

The bill before us has two objectives, the official objective and the unofficial one, which is just as important if not more so: to reduce as much as possible Quebec's political weight in this House.

• (1320)

Of course the strategy has changed. Since Lord Durham tabled his report, English Canada, the federalists have taken a different approach. The approach may be a more subtle one, but the ultimate goal has remained unchanged: the assimilation of Quebecers.

How can this be achieved? By failing to recognize Quebec, the people of Quebec, as a founding nation, by not recognizing its distinctiveness, by quashing their every demand and legislating to reduce the political weight of Quebecers in Ottawa by increasing the number of members from outside Quebec, members who will vote against Quebec and put Quebec in its place at the first opportunity.

But history has taught us that one does not have to come from outside Quebec to vote with the English Canada majority and against Quebec in particular. We need not think back very far indeed to realize that. I can see it happen regularly since coming to this place. I saw it again with my own two eyes during the vote at report stage, when Liberal members from Quebec ignored Quebecers' wishes and defeated a motion presented by the Bloc Quebecois to ensure that a minimum of 25 per cent of seats in the House of Commons go to Quebec.

Yet, this was a very simple motion and it read as follows: "Notwithstanding the foregoing, when by application of this subsection the number of members to be assigned to the Province of Quebec is less than 25 per cent of the total number of members in the House of Commons, the Chief Electoral Officer shall assign at least 25 per cent of the total number to the Province of Quebec".

Quebec's influence on decisions made in this House will not start to decline in 100 years, but immediately. In the next federal election, Quebec will no longer have the same decision–making influence, it will be smaller. The figures speak for themselves. Our numbers will be reduced, falling below the 25 per cent level of representation we have always had in this House. Never in the history of Quebec have members from Quebec opposed a motion to protect Quebec's legitimate rights, to protect its political weight within the Canadian federation.

What are we, members from Quebec, here for? What have we been elected to do? Every member from Quebec in this House, regardless of political affiliation—whether red, blue, yellow, whatever—was elected by Quebecers to look after Quebec's interests. This motion to ensure a 25 per cent minimum was designed to protect Quebec's interests and that is why we presented it.

We and all these other members have the duty to protect among other things Quebec's political and decision–making influence. The federal government ignored Quebec in this bill. The same way, Quebec will ignore Canada before long. When I see the government and the third party, the Reform Party, hand in hand, joining forces against Quebec, I know it is high time that we pack up and leave.

The Bloc motion would have guaranteed one quarter of the seats to one of the two founding nations of Canada, while also complying with the traditional and legitimate requests of Quebecers to preserve minimum political leverage within the Canadian federation. The attitude of the Liberal members is hypocritical. Barely three years ago, these same Liberals defended Quebec's right to 25 per cent of the seats in the House of Commons. Back then, they formed the opposition. It is strange how time changes things sometimes.

Given that attitude, many of the positive aspects of this legislation are eliminated. Members worked hard to come up with a bill designed to improve the whole redistribution process. However, their efforts were vain, since the government ignored some very important recommendations.

Had some specific provisions been included in it, this legislation could have sent an ultimate message to Quebecers. Instead, the government preferred to team up with the Reform Party to once again put Quebec in a vulnerable position. Nevertheless, as I said earlier, there are some positive aspects to this legislation and I will list a few.

• (1325)

For example, after a decennial census, the changes to the electoral map will be followed by a readjustment five years later, so as to avoid drastic changes in the electoral districts. This is a good change which fulfils a need.

The population of each electoral district will be allowed to vary by more or less 25 per cent from the electoral quota for the province. This is a minimum which, I think, had to be included in the bill.

Provincial commissions will have to hold public hearings before starting their work. Again, this is in response to a legitimate request made by constituents from every riding.

In determining electoral district boundaries, the provincial commissions will have to consider the community of interest, the size of each district, as well as foreseeable geographic changes. In a riding such as Berthier—Montcalm, which I have the honour to represent, the need for such criteria is obvious. Otherwise, we end up with ridings of 50, 52 or 60 municipalities. There has to be at least a certain sense of belonging and the bill ensures that this is the case.

Provincial commissions will have to submit three draft maps and hold new hearings if necessary. Again, this is very good.

As the hon. member for Kamouraska—Rivière–du–Loup mentioned, something had to be done. I am referring to the member's comments because he put the finger on an extremely important aspect of the issue. He said the following: "It seems to me that it is not simply a question of ensuring adequate mathematical representation but of ensuring adequate representation". These are two very different matters. Equity cannot be measured mathematically. If it could, we would fix the problem

on our calculators and save a lot of money. But when a riding is as small as six blocks of Toronto, Montreal or Vancouver versus 55 or 60 municipalities, like my riding, Berthier—Montcalm, should other criteria not be taken into consideration to ensure that the citizens of these ridings are as well represented in Parliament as those of urban downtown ridings in big cities?

The suggested changes addressed this issue, but, as I said earlier, the snub on Quebec that this bill contains is totally unacceptable. In fact, and I will close on this note, Bill C–69 gives no mandate in this area and it could easily have given one to some parliamentary committee. I think that it is not the means to resolve the problem of Quebec's dwindling representation in the House of Commons that is lacking.

Worse yet, Bill C–69 gives no guarantee that the continual reduction in the number of members in this House from Quebec will be halted. On the contrary, the bill maintains the formula set out in section 51 of the British North America Act, which results in a weakening of Quebec's influence within federal institutions.

You will understand that, as long as the people of Quebec have not made a decision on their future, which will certainly be in favour of sovereignty, it is very important that Quebec maintains adequate representation within federal institutions.

I disagree with some of the comments which the Reform member made and I think that, given that we are here to defend the interests of Quebec, we are here to play to win from within the system and we will do everything possible to guarantee Quebec minimum representation, and demanding 25 per cent is a way of guaranteeing Quebec a minimum impact on decisions made in this House.

We are not demanding this because they say we are going to lose the referendum, on the contrary, we are going to win it. However, I think that, at the very least, a member who represents the interests of Quebec had an obligation to present this motion, to guarantee Quebecers the 25 per cent we have always had since Confederation and which we will lose in the next election because of a Liberal government that failed to make any provisions for this in the bill.

All Quebecers, whether or not they agree on sovereignty, agree that Quebec should at least keep 25 per cent. And since everyone likes Quebecers or at least that is what they say, we should be able to get unanimous consent in this House.

I want to ask the Liberal members from Quebec and the government to rescind the previous vote so that we can have a bill that reflects the unanimous demands of Quebecers, including Quebec federalists with their stuffed beaver policy, as some radio commentators refer to Daniel Johnson's policy.

• (1330)

Even Liberal members from Quebec—and I see some members across the way who were in the National Assembly before and are very much aware of Daniel Johnson's political allegiance—even Mr. Johnson said yes, Quebec should have at least 25 per cent. I think Quebecers are unanimous on this.

I am sure there is some formula we could use in this House to rescind the vote at the report stage and include the motion presented by the Bloc Quebecois. I think that, all things considered, after everything we read in the papers and all the pressure on the Liberals across the way in connection with the Bloc's motion, which was entirely legitimate, I am sure there is some way to rescind this vote and guarantee 25 per cent of the seats for Quebecers.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I have a question for the hon. member.

How does he see the role of members from Quebec who support this bill? Does he think that members from Quebec who support this bill are defending Quebec's interests?

Mr. Bellehumeur: Mr. Speaker, I will try to answer this question without commenting—I think there is a rule about this—on how Liberal members from Quebec voted.

However, as I said in my speech, if a member from from Quebec who was elected by Quebecers is truly here to defend their interests, that member cannot do otherwise but vote in favour of this motion which would guarantee 25 per cent of the seats. We did not ask for the moon. We did not ask for exceptional powers. We wanted this bill to recognize the fact that Quebec was one of the two founding peoples. It was that simple. It was easy to do. They could have put it in the bill.

I think the Liberals from Quebec understand this. They could have put it in the bill if they had done some lobbying, something Liberals are very good at. The members from Quebec could have lobbied their own caucus and their own ministers to include in this bill a clause mandating a group of parliamentarians to find a way to let Quebec have 25 per cent of the seats as requested by us, the Bloc Quebecois and by all Quebecers. But they did not. I think the answer to the question from the hon. member for Québec–Est is clear. I think the interests of Quebec demanded it and that they failed to act accordingly.

[*English*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the division on the question now before the House stands deferred until tomorrow at 5.30 p.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

• (1335)

FARM IMPROVEMENT AND MARKETING CO–OPERATIVES LOANS ACT

Hon. Fernand Robichaud (for the Minister of Agriculture and Agri–Food, Lib.) moved that Bill C–75, an act to amend the Farm Improvement and Marketing Co–operatives Loans Act, be read the second time and referred to a committee.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, it is a pleasure to open the debate at second reading on behalf of the Minister of Agriculture and Agri–Food and the government.

Bill C–75 is an act to amend the Farm Improvement and Marketing Co–operatives Loans Act. The acronym I will be referring to is FIMCLA. This amendment would only change one clause in the act. However, without the amendment we would have to suspend the program. Bill C–75 would increase the total amount of loans guaranteed under the act over a five–year period from $1.5 billion to $3 billion. Before I get into the question of why we want to make this change, I will tell the House a little about the FIMCLA program.

This program has been around for 50 years. It started with the Farm Improvement Loans Act passed in 1943 and came into effect in 1945. It was the first guaranteed loan program in Canada and was followed by student and small business loans. It is probably the most successful of all those programs.

At first the farm improvement loan program was intended to help tenant farmers get access to funding to improve their farms or farm living conditions. The guarantees were needed. They could not offer the land as security since they were tenants. Therefore they were unable to get bank loans. Over the years it has been a very popular program especially in western Canada, becoming increasingly popular throughout the nation.

Now farmers use the program to get loans of up to a maximum $250,000 for a wide range of farm improvement programs and projects such as acquisition of additional breeding stock, more land, improvements to buildings, fencing projects, irrigation, improved waste disposal facilities, et cetera. It could also be used and is being used to try alternative farming methods, whether organic farming or any other type of alternative method that farmers are now so aggressively pursuing in the diversification of their operations.

In addition, the program facilitates access to credit for farmer owned marketing co–operatives for activities that add value to the agricultural production. For example, a co–op could borrow up to $3 million under FIMCLA to build a juice plant, or something with vegetables or any other type of co–operative dealing with further value adding and processing of agriculture products.

Loans to co–operatives must be approved by the Minister of Agriculture and Agri–Food. Under this program borrowers benefit from interest rate savings of about 0.5 per cent and a lower equity requirement usually around a minimum 20 per cent.

The program is very popular and is becoming even more popular every year. Five years ago the department began to encourage credit unions and caisse populaires to make the program available to their customers as well. This has added about 600 new designated lenders throughout the country.

In towns which may only have one bank or one credit union or no bank or no credit union, farmers often had to drive to another town to get financing. With this change they suddenly had a lot more lenders to work with. In addition, we have seen sustained lower interest rates, higher farm equipment sales and an improved farm debt situation in the last few years.

Not surprisingly, the number of loans registered under the program has more than tripled from about 4,800 in 1990–91 to nearly 18,500 in 1994–95. The value of those loans has climbed from just under $82 million per year to $515 million per year. This year we expect the loans to reach $550 million, bringing a five–year aggregate to $1.4 billion. We expect that to remain constant for the years ahead. At a level of a $3 billion cap we will now be allowed to continue to offer the program. Most of the new growth has taken place in Quebec and Alberta.

• (1340)

Not long ago there was only a single lender using the program in Quebec. Now the giant Caisse Populaire Desjardins movement has become a major participant and Quebec has the third highest number of loans of any province. Similarly in Alberta, which has the second highest number of loans, the Alberta treasury branches have become a significant lender under FIM-

CLA. However, Saskatchewan is still the biggest user of the program.

This new growth has caused the government to propose this amendment to increase the cap. If we do not, as I said before, the program could reach its $1.5 billion cap in June of this year and then we would have to suspend the program for about two years.

In preparation for this amendment we have consulted with the people who are most closely involved in the FIMCLA program, including major farm organizations like the Canadian Federation of Agriculture as well as commercial lenders.

I would also like to address the inevitable question of why we are increasing the cap on this program by $1.5 billion at a time of government restraint. I want to make clear this amendment does not in any way represent $1.5 billion in new spending. Over the last 30 years the program costs have averaged slightly over $1 million a year. It is a loan guarantee, not a loan of the actual money.

The 25–year net loss rate under FIMCLA has been about 1 per cent. If we look at other government programs it shows the dedication to repaying loans and the low loss in those loans in the agricultural community over the years, a record it can be proud of. This loss was a bit higher in the 1980s for obvious reasons but we expect it now to stay at less than 1 per cent in the foreseeable future.

The government has made a commitment to provide farmers with the tools they need. FIMCLA is one such tool, an inexpensive tool that offers a considerable amount of assistance to the agri–food sector. It supports adaptation, diversification and encourages regional development and job creation.

The government has recently increased the cap on small business loans to a total of $12 billion for the same reason. Here again we are asking for the assistance to increase the cap on the Farm Improvement and Marketing Co–operatives Loans Act.

At this time I urge all members in the House to support the amendment which will double the cap on loans under the Farm Improvement and Marketing Co–operatives Loans Act and enable this low cost support to farmers to continue. I look forward to the support of all members in the House.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, Bill C–75, which we are debating this afternoon, is neither very long nor complex. It may, in fact, be summarized in a single, very simple, clause, which provides that the maximum of guaranteed loans will increase from $1.5 billion to $3 billion.

As my colleague, the Parliamentary Secretary to the Minister of Agriculture and Agri–food, has just pointed out, this refers merely to loan guarantees. The government is not injecting an additional $3 billion or $1.5 billion into the agricultural sector—far from it. Bill C–75 is therefore simply an amendment to the Farm Improvement and Marketing Cooperatives Loans Act.

• (1345)

I must say that, when I read the title of this bill, I thought it was rather long. Like the Prime Minister, I counted the words. There are 16 words in the name of the act. There could, in my opinion, have been a lot fewer.

The amendment, therefore, is aimed at doubling the amount and the number of loans guaranteed under the terms of this act. The amendment simply increases the cap of guarantees for loans given by banking institutions in response to increased demand. The current cap is $1.5 billion, and with the adoption of Bill C–75, the limit will increase to $3 billion. For many farmers, this increase means greater access to financing.

Even though the bill concerns loan guarantees and not the investment of new money, an important question arises: Will taxpayers be bearing the costs of this increase directly? Although we are talking about loan guarantees, the risk of non payment remains, and, in the end, all taxpayers will have to foot the bill.

According to data from the Department of Agriculture and Agri–food, losses due to non payment or non reimbursement represent more or less one per cent of the total loan guarantees. Therefore, the cost of the program will be relatively low. Nevertheless, one per cent of $3 billion could end up costing Canadian taxpayers $30 million.

Therefore, for the good of the farmers, the Bloc Quebecois will support the increase in the cap from $1.5 billion to $3 billion by supporting Bill C–75. In the present context, it is almost impossible for the provinces to gain a little more autonomy from the federal government. The only solution in the short term, and it is only for farmers, I repeat, is to allow the government to go ahead with Bill C–75.

However, I must point out that our support is based solely on a concern that farmers get the financing they need and are entitled to. Apart from this vital aspect, it is as clear as spring water that we cannot allow duplication to pass without comment. I wish to draw the attention of all my colleagues and especially you, Mr. Speaker, to the fact that Bill C–75 involves duplication from two levels of government, as I will explain to you.

The basic question we must ask ourselves is not only whether the limit provided for in the act to amend the Farm Improvement and Marketing Cooperatives Loans Act is high enough but whether the program as a whole is relevant. According to Agriculture Canada figures, the demand for loan guarantees is growing. It is this excessive demand that justifies the limit increase.

Mr. Speaker, you know as well as I do that the cost of farms has risen, as has the cost of buildings, of extensions. The cost of farm machinery such as tractors and combine–harvesters has gone up and even doubled in the last 10 years. The cost of digging manure pits keeps going up. I think that increasing the limit was justified.

• (1350)

I will not deny the importance for farmers of having access to financing in order to improve or expand their facilities. All the more reason to make their lives easier and allow them to meet their needs in a single place. More and more, Quebec favours the single window concept at all levels. In Quebec, there are now three organizations in place to help Quebec farmers who need financing.

Last weekend, I met with several farmers including my friend Bertrand Lacroix of Second Street in Disraeli, who explained to me how complex our situation is. On the one hand, you have Quebec's Société du financement agricole, which a few years ago was called the Office du crédit agricole and which comes under Quebec jurisdiction. On the other hand, you have the Farm Credit Corporation, which comes under federal jurisdiction. Thirdly, since there are 12 words in the bill before us this afternoon, an act to amend the Farm Improvement and Marketing Cooperatives Loans Act, from now on I will use the acronym AAFIMCLA. You can see how complex this is. We are really asking for it.

I am far from proud this afternoon of supporting this bill on behalf of the Bloc Quebecois. Our accumulated deficit exceeds $550 billion. While the deficit for this fiscal year will be close to $40 billion, the government is increasing duplication and overlap. This is a good example of overlap within the same government. At the federal level, farmers can borrow either from the Farm Credit Corporation or under the Farm Improvement Loans Act. Why not consolidate all that? I am sure tens of millions of dollars would be saved each year this way. Not only would this government save tens of millions dollars each year, but it would be much more efficient. It is even worse for Quebec farmers, who have a third choice in the farm finance corporation.

Saturday afternoon, the farm producer I was visiting told me that he had had to shop around in order to finance his new facility. He applied for all three and came to the conclusion that the program that best suited his expansion needs—I am not saying that it would be the same for everyone, but for him—was the one offered by the Société de financement du Québec. Another time, the Farm Credit Corporation could prove to be a better choice. In this instance, he told me that he had weighed the three programs against one another and that the best deal was that of the Société de financement agricole, formerly known as Quebec Farm Credit Bureau.

The bottom line is that a great deal of money is totally wasted on programs administered by three separate agencies. In their next budget, the various provincial governments, particularly Quebec and Ontario, which are two large provinces, will probably have to follow our finance minister's lead and hit their taxpayers hard. They will have to account for moneys spent, in my view, wastefully on duplication. In Quebec, we know what duplication is. We have been aware of this for quite a while, and that is why we would rather have our own tool box, with all the tools required to develop fully, freely and completely.

• (1355)

If the three programs I just mentioned are different, is it not because appropriate resources are scattered in three different places? What if the resources allocated to the other two agencies were made available to the Société du financement agricole? I would bet that it could provide new programs. It would be what we call a single window.

The province may have set criteria and standards of its own, which are not in line with what the federal government had in mind. Let us assume, for example, that the Quebec farm finance corporation's standards are higher that those set in bill C–75 for whatever reason. By setting separate standards, the federal government is once again interfering in provincial areas of responsibility.

Rather than moving to my next point, Mr. Speaker, I could stop here, and let you have the floor to call statements by members, and I could continue after oral question period.

The Speaker: Certainly, dear colleague. I thank you for letting me take the floor, as the saying goes.

It being 2 p.m., pursuant to Standing Order 30(5), we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

OKLAHOMA CITY BOMBING

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, on Wednesday, April 19, a terrible and tragic event took place in the heartland of America. The bombing of the federal building in Oklahoma City has shocked the entire world. The bombing has proven that no one is safe from the threat of terrorist activities and that terrorism can strike anywhere, even in the places that were once considered safe, as Canada witnessed at the provincial legislature in Prince Edward Island last week.

The most devastating aspect of the bombing is the number of young children who were killed in the blast. I cannot comprehend how anyone could possibly justify the taking of lives, especially those of innocent children.

To the citizens of Oklahoma City, I am sure I speak for all members present when I say that our thoughts are with you at this time of sorrow. May you find the strength to rebuild and carry on. I am also sure that my colleagues will join me in condemning the cowardly act of terrorism.

* * *

[*Translation*]

OKLAHOMA CITY BOMBING

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, there are events which generate sympathy and solidarity among peoples, nations, individuals and communities.

We join all those who strongly denounce the bombing which took place last week in Oklahoma City.

Regardless of who is responsible for the attack, and regardless of the motives, it is totally unjustifiable that individuals or organized groups would resort to such violence and acts of terrorism.

The revolting attack in Oklahoma City against dozens of innocent people, including children attending a daycare, is in direct contrast with the values of tolerance, solidarity, respect and democracy of our societies.

We want to send a message of sympathy and solidarity to the injured, to the families and close ones of the victims, to the community of Oklahoma City, as well as to all Americans.

* * *

[*English*]

OKLAHOMA CITY BOMBING

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I too would like to pay tribute and attention to the terrible tragedy that occurred in Oklahoma City last week on April 19. It truly was a shock to the world.

Our sympathy goes out to all of those who lost friends and family members in this cowardly assault on innocent people, especially the children, both those who died and those who lost their parents.

This is a disgusting, despicable crime committed by a sick element of society, an element that one could not even imagine exists in our land and in our nations all around the world.

I hope there will be better procedures established to detect these people and foresee this potential danger to society. Justice must be served swiftly against the cowards who committed this heinous crime and a justice that will ensure the sentence fits the crime.

Oklahoma, our thoughts and prayers are with you.

BORN TO READ DAY

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, today is Born to Read Day.

Nearly two million school children in Canada from kindergarten to grade 3 will receive a free copy of "Born to Read", a how–to guide encouraging parents to spend more time reading with their children.

Writer and cartoonist Ben Wicks, realizing just how serious a reading problem Canada has and recognizing that literacy begins at home, decided to develop a book explaining to parents how they can help their children to love to read.

This project is a joint effort of some of Canada's largest corporations, federal and provincial governments and the five major literacy organizations in Canada.

Twenty–four per cent of Canadian adults are functionally illiterate. As a former educator, I find this statistic appalling. I am well aware of the benefits literacy provides and I thank Ben Wicks for the significant role he has played in addressing this problem and trying to do something about it.

* * *

WORLD CURLING CHAMPIONSHIP

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, this is my first opportunity from the floor of the House of Commons to congratulate Canada on winning the World Curling Championship.

The team consists of skip Kerry Burtnyk, third Jeff Ryan, second Rob Meakin and lead Keith Fenton. This outstanding foursome curls out of Winnipeg's Assiniboine Memorial Curling Club which is located at the end of the street where I live. I humbly confess to some local pride.

The Burtnyk team, however, are true world champions. They swept the tournament in Brandon, winning all 11 games and the coveted crown on a spectacular last rock double takeout in the final match against Scotland.

Their victory highlights an outstanding season for Manitoba curlers, a season that saw Manitoba teams win two world crowns and two national championships.

Again, my congratulations to Kerry Burtnyk, Jeff Ryan, Rob Meakin and Keith Fenton. They are the world's finest for '95. They are great citizens of Manitoba, the hotbed of curling in Canada.

* * *

HEALTH CARE

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, some of the best doctors in the world are located right here in Canada.

However, doctors in the province of Ontario are still reeling from three consecutive years of ill–treatment by Bob Rae's NDP government. So far the Rae government has failed to establish meaningful co–operation with stakeholders in the health care system in order to make better decisions about the planning and delivery of health care services. For example, there should be incentives for people to use community clinics instead of hospital emergency wards which are five times more expensive.

Furthermore the Rae government has offered little or no support to the medical profession in its efforts to develop new payment models in order to manage costs. Doctors in Ontario are being squeezed by the Rae government in a way that is compromising their capacity to deliver medical services. Innocent patients are getting caught in the crossfire.

Ontarians are fed up. It is time for new and effective leadership in this province. Ontario needs a provincial government that is committed to quality health care.

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[*Translation*]

ARMENIAN PEOPLE

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, the Bloc Quebecois joins with all Armenians to commemorate the 80th anniversary of the Armenian genocide, which began in April 1915. This despicable crime against humanity must not be forgotten.

The obvious lack of leadership shown by Canada regarding this unpunished crime is upsetting. Under René Lévesque, Quebec did recognize the Armenian genocide. The Liberal government shows a blatant lack of courage and clear–mindedness by continuing to ignore this genocide.

On behalf of all Quebecers and Canadians, the Bloc Quebecois does remember this tragedy and does sympathize with the Armenian people.

* * *

[*English*]

SCHIZOPHRENIA SOCIETY OF CANADA

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, the Schizophrenia Society of Canada is launching a major campaign today to dispel the myths and misconceptions about schizophrenia and to raise public awareness regarding the real symptoms and the impact of the disease. The theme of the national campaign is: "If you think spelling it's hard, imagine living with it".

• (1405)

Schizophrenia will affect one out of every 100 persons, or about 270,000 Canadians. It is one of the most common forms of mental illness. Sadly, 40 per cent of people with this disease will attempt to take their lives. Sadder still, one–quarter of those will succeed.

Schizophrenia is caused by a chemical imbalance in the brain and typically strikes people in their late teens or early twenties, often lasting a lifetime.

I applaud the efforts of the Schizophrenia Society of Canada as it works to alleviate the suffering caused by this disease.

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YELLOWHEAD HIGHWAY ASSOCIATION

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, this past weekend the Yellowhead Highway Association held its 49th annual meeting in Edmonton. This organization, representing communities along the Yellowhead highway from Winnipeg, Manitoba to Merritt and Masset, B.C., has helped to improve safety, business and tourism along western Canada's most popular travel route.

Despite the significant success of the association, much remains to be done, requiring the ongoing and continuous commitment of provincial and federal governments. This means that the federal government must remain committed to the national highway system and to keep in place the resources necessary to upgrade and enhance the travel convenience provided by the new Trans–Canada Yellowhead Highway.

I urge the Minister of Transport to join the many dedicated people in western Canada who support the Yellowhead, to review his withdrawal of support from the national highways program and to renew the financial commitment that is so necessary to keep this highway functioning.

* * *

BORN TO READ DAY

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I wish to express my thanks to Ben Wicks, one of our great Canadian cartoonists, whose book entitled "Born to Read", was distributed today in over 10,000 schools across Canada.

His book was officially released this morning in a ceremony he attended on Parliament Hill in the presence of Governor General Roméo LeBlanc and Senator Joyce Fairbairn, the minister responsible for literacy.

[*Translation*]

As an amateur caricaturist and former teacher, I am very proud of the tool Ben Wicks is offering to parents of young children. It will make their first reading lessons interesting as well as educational.

As well, I am convinced that this book will be a great help in the fight against illiteracy.

[*English*]

Thank you, Ben Wicks and congratulations.

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NATIONAL JUNIOR/JUVENILE JUDO CHAMPIONSHIPS

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, the National Junior/Juvenile Judo Championships were held in Newfoundland this past weekend for the first time in 20 years. The town of Stephenville, in my riding, played host and did an absolutely bang–up job. I was there to help them celebrate the spirit of this tremendous sporting event.

Three hundred competitors from all 10 provinces took part, including Jeremy Delaney, Eric Hynes, Gary Lasaga and Jeff Pollard, all from Stephenville.

Newfoundlanders take great pride in their team, which captured its very first gold medal in a national judo competition. Congratulations to everyone, including Aden White, William MacNeil, Della McIsaac, Rodger Farrell, the athletes, coaches, officials and volunteers. For Aden White especially, it was a dream come true. Well done all.

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SECURITY SERVICES

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I rise today to pay special tribute to the House of Commons Security Services which celebrate their 75th anniversary this year.

It was in 1920, following an act of Parliament, that the House of Commons protective staff was created to protect the parliamentary institution, its members and the precinct. This force has since grown into the efficient, effective and professional force we know today. Both proactive and reactive, the House of Commons Security Service has continuously aimed to provide the excellent service to which we have become accustomed.

The men and women of the security staff are continuously faced with the almost impossible task of providing security in such a way as not to limit or impede public access into the buildings, while ensuring on the other hand that sufficient security is present to adequately protect members of Parliament, employees, visitors and tourists in a period when crime and terrorism are on the increase.

As an honorary member of the security services I invite all members to join with me in wishing them a happy 75th anniversary as well as many more years of success.

• (1410)

[*Translation*]

QUEBEC REFERENDUM

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, not only has the "No" side nothing to offer Quebecers in the upcoming referendum, but more importantly, the Liberal Party in Quebec has begun to shun Quebec's traditional claims.

Federalists have offhandedly dismissed four of the five conditions set during the Meech Lake negotiations, at the time considered to be a bare minimum by the Liberal Party, and now propose to promote Quebec's development and to define its place in the Canadian federation through obscure administrative agreements.

Administrative agreements have never been used to acknowledge a people's existence or to grant them the powers they need to develop. The Liberal Party is not proposing "quiet affirmation" but more a strategy of "quiet resignation".

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[*English*]

RWANDA

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, ethnic dissension again erupted in Rwanda on Saturday as the world witnessed yet another massacre of thousands of Hutu refugees by Tutsi government soldiers.

Previous, smaller group killings of Rwandan refugees have given clear notice that it was only a matter of time before Saturday's massacre would occur. Yet once again, the world and the United Nations stood by, only able to watch helplessly as these events unfolded before our eyes.

In this 50th anniversary year of the United Nations, events such as this make it critically vital that international communities work together to agree to reform United Nations structure and procedures to enable the UN to respond effectively at short notice so that atrocities such as the tragic massacre witnessed this weekend will become a thing of the past.

In the meantime, the international community should ensure that those responsible for perpetrating this horror are identified and punished. Only in this way can it be made clear that the world cannot and will not accept such behaviour.

* * *

[*Translation*]

VIOLENCE

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, the week that just drew to a close was

tarnished with acts of unprecedented violence which must be categorically condemned by all.

Our so–called industrialized societies seem to have become the preferred targets of hatemongers and assassins. Whatever the motives of the perpetrators of such savage and senseless acts, their murderous rampages can never be considered justifiable.

I am calling on all of the members of this House and all Canadians to join in the fight against intolerance and hatred in our society.

* * *

[*English*]

RWANDA

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, following on the remarks of the previous member, like all Canadians I am sure that all members of the House join me in their condemnation of the continuing atrocities in Rwanda. This weekend we learned of yet another attack on innocent civilians and the death of several thousand Rwandan citizens.

There comes a time when the long accepted international principle of the absolute right of national sovereignty to take priority over all other rights must be put aside in the name of international human rights and common decency.

I suggest that the citizens of Rwanda, like those of Somalia or the former Yugoslavia possess inalienable rights of freedom and life. Quite clearly these rights no longer exist. The Rwandan government must be held accountable for the actions of its army and justice must be served.

I believe that Canadians have a role to play in achieving peace in this region. We have been and continue to be a world leader in the fight for peace. There is no place in this world for mass murder and ethnic cleansing. The voice of peace and freedom must be heard.

* * *

SMUGGLING

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the people of Ontario are a caring people. Throughout the history of this province they have contributed generously to confederation.

This generosity, however, is being put to the test by the government. Despite electing 98 Liberal MPs in the last election, issues that concern Ontario are not being addressed. Nothing exemplifies this lack of representation more than the growing smuggling problem.

The Liberal solution to smuggling announced last February has failed to stem the tide of guns, alcohol, drugs and tobacco streaming into Ontario. Smuggling accounts for the vast majority of cases involving the criminal use of firearms in Ontario and it facilitates the illegal use of drugs. It has cost thousands of jobs in the distilling industry and the government has lost billions of dollars in revenue.

The old saying about safety in numbers obviously does not apply to Ontario's voice in Ottawa.

* * *

• (1415)

NATIONAL VOLUNTEER WEEK

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, the week of April 23 to April 29 is National Volunteer Week in Canada. This week communities all across our great nation pay tribute to those people who volunteer their time and skills to help their fellow Canadians.

National Volunteer Week was first proclaimed in 1943. Now, over 50 years later, we take this week to recognize the contributions that volunteers make to our way of life. From the people who sit on the boards of community support organizations such as St. John Ambulance to hockey coaches who give up their Saturday mornings to show children the joy and value of team work volunteers give the most valuable gift of all: their time.

In particular I take this opportunity to recognize the contributions of a constituent of mine, Mr. John O'Regan, who was named volunteer of the year by the Newfoundland and Labrador Chamber of Commerce for his many years of outstanding and dedicated community service.

I invite all members of the House to join with me in paying tribute today to all Canadians who volunteer their time and skills to make Canada the great nation it is.

ORAL QUESTION PERIOD

[*Translation*]

G–7 SUMMIT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, last Friday when he visited the Valcartier military base, the Prime Minister said that Quebec City lost the G–7 Summit because the Canadian flag is not flown from the city hall.

My question is directed to the Prime Minister. I want to ask him whether he does not think it was rather petty to disqualify Quebec City just because of a flag?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Halifax was selected on the merits of its location. The first economic summit was held in Quebec at Montebello. The second summit was held in Toronto, and we decided to have the third one in Halifax, in the Maritimes where occasions like this one are few and far between. At the time, we received representations from a number of people from Quebec City and, as I said at the time, it is not very pleasant when the mayor of a city in

Quebec comes to ask favours from the Canadian government and refuses to show the flag of his country, the Canadian flag. When the Prime Minister of Canada was about to invite international leaders to Quebec City, the mayor was not prepared to show that he himself was a Canadian.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, no one in Quebec is asking favours from anyone, and especially not the mayor of Quebec City in his capacity as mayor. We pay taxes here. We pay taxes. This is our money you are spending, and we want our fair share. And we are certainly not seen as begging favours from the federal government.

Some hon. members: Hear, hear.

Mr. Loubier: It costs us $30 billion in taxes.

Mr. Bouchard: Mr. Speaker, are we to understand that this petty and mean decision on the part of the Prime Minister to disqualify Quebec from hosting the G–7 summit was inspired by the same desire to get even that permeated the government's actions on MIL Davie, manpower training and cuts in transfer payments for social programs, to punish Quebeckers for supporting the Parti Quebecois and the Bloc Quebecois?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I see the Leader of the Opposition is easily upset, but despite the lack of courtesy shown by the mayor of Quebec, we support the interests of Quebec City, which is borne out by the fact that throughout the world at this very moment, Canadian ambassadors are trying to get the 2002 winter games for Quebec City, in spite of the mayor of Quebec City.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if the Prime Minister thinks all sovereignist mayors in Quebec are discourteous, since there are quite a few of them, that means there are quite a few discourteous mayors in Quebec. There are quite a few people in Quebec who are discourteous, in that case, and they will show it when all sovereignists join in making the referendum this fall a victory for sovereignty.

Some hon. members: Hear, hear.

Mr. Loubier: We will win that one.

Mr. Bouchard: Are we to conclude from what the Prime Minister said in Valcartier that his only strategy now is to scare Quebeckers before the referendum that will be held shortly?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Leader of the Opposition wants a referendum as soon as possible. That is not what he told Parizeau last week. If the Leader of the Opposition wants to win the referendum, the question should be very simple and very clear. Ask Quebeckers: Do you want to stay in Canada? And we will all vote yes, including the Péquistes.

Some hon. members: Hear, hear.

* * *

• (1420)

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Solicitor General.

Last September, Michel Robert, spokesperson for the Security Intelligence Review Committee told the Sub–committee on National Security that he did not know what had become of Grant Bristow. The *Toronto Star* has uncovered him in Edmonton, complete with a new identity, a new house, two cars and an income of $3,000 a month, compliments of the Government of Canada and Canadian taxpayers.

Before providing Mr. Bristow with a new identity and sending him into hiding once again, would the Solicitor General acknowledge that Mr. Bristow must appear before the Sub–committee on National Security in order to fully clarify his role in the racist group Heritage Front and his infiltration into the entourage of the leader of the Reform Party.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, it has never been confirmed that Grant Bristow is a CSIS source or was a CSIS source. As a result I do not think there is anything further I can add in reply to the hon. member's question.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, how can the Solicitor General abdicate his responsibilities with regard to Grant Bristow's role as a CSIS source, when a report by the review committee considers that Mr. Bristow exceeded the mandate of a CSIS source.

Why is the Solicitor General making such an effort to hide Grant Bristow?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I think my hon. friend is mistaken. The report of the SIRC, the Security Intelligence Review Committee, did not confirm that Grant Bristow was a source of CSIS. It did however confirm that CSIS did a good job, a proper job and a necessary job investigating the Heritage Front.

CRTC

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, tomorrow the federal cabinet will do something it has never done before. It will issue a cabinet directive overturning a CRTC decision on direct to home satellite television at the specific request of Power Corp.

In fact Power Corp. went so far as to say that it would withdraw its bid if the cabinet did not rule in its favour. It is amazing what one can accomplish when one has friends or fathers–in–law in high places.

My question is for the Prime Minister. If the government felt so strongly about opening satellite television to competition, why was it not done through the appropriate channels and why is Power Corp. running the show?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am sorry the usual critic is not here. Perhaps she would understand the process a little better. The hon. member will know—

Some hon. members: Order.

The Speaker: We have been away for a little while and probably have forgotten that we do not make reference to when members are here or not here. I would ask the hon. minister to keep that in mind when answering.

Mr. Manley: Actually, Mr. Speaker, I am never quite sure when the members are here or when they are not here.

The hon. member should be aware the concerns the government expressed about the order the CRTC issued last summer were precisely along the lines of the question he puts. The CRTC authorized the consortium to initiate a direct to home satellite service in Canada without issuing a licence and without any public transparency process, by issuing an exemption order which has the effect, as the hon. member should know, of creating a monopoly in this service in Canada.

• (1425)

If the Reform Party is in favour of a monopoly in services and opposed to a transparent licensing system then let it say so. That seems to be the implication of the question.

Mr. Jim Silye (Calgary Centre, Ref.): I guess, Mr. Speaker, I get to see arrogance in its visual form.

The Reform Party favours open competition and a firm policy that safeguards the best interest of the country and Canadians. However, if questions are being raised about the propriety of the deal the government has no one to blame but itself. Power Corp. said jump, and the cabinet and the Prime Minister asked how high by using special powers to overturn the CRTC original decision. This was all being done behind closed doors. Certainly consumers may benefit in the end but the end does not justify the means.

My supplementary question is for the minister. Will he assure the House that any further decisions on the direct to home satellite industry will be taken in full public view and not behind closed doors at special cabinet meetings?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is hard to avoid being accused of arrogance when the member's question is full of factual errors.

The reality is that we invited the panel of experts to conduct an open and transparent process. All the submissions received by the review panel were publicized with time for public response to the submissions, unlike the issue of the exemption order in the first place.

If cabinet decides that it will accept the recommendations of the review panel it would do so in a statutory and transparent way by referring such an order to the House of Commons and to the Senate for review over a period of 40 days. That is what the law provides. It is entirely open and entirely transparent. If we decide to do so, the member and other members of his party will be most welcome to make their submissions well known both on competition as well as on the future of DTH services.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, with the cabinet's unprecedented use of special powers to overturn a CRTC decision, which contradicts the red book promise of open government, the federal government is now becoming more powerful and more secretive.

For instance, the regulatory efficiency act will give the cabinet power to exempt companies from regulations through special private compliance plans. The potential for abuse is staggering. Canadians should be driving the country's agenda, not cabinet and special interest groups. The system must be transparent.

Will the government scrap the regulatory efficiency act immediately and keep power in the hands of Parliament where it belongs?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, again the preamble to the question misses the point of what is proposed in the issuance of a direction to the CRTC. Yes, it is the first time but the act was passed only a short time ago; it is one of the first opportunities to exercise the power. However it is very carefully circumscribed in the Broadcasting Act. Therefore it is important for us, if we make that choice, to do so in a way that complies with the act, that is transparent and that is open. This is the essence of what we are trying to accomplish with respect to the order.

As far as the regulatory efficiency act is concerned the member is entitled to engage in debate about it, but he should understand that one of the objectives of the act is to ensure that

we reduce the burden particularly on small and medium size business in order to make the economy grow.

If the Reform Party wants to increase the regulatory burden on business then let it say so.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Prime Minister. In the last election campaign, the Prime Minister vowed to abolish the GST before January 1996. He said that they hated this tax and that they would scrap it. Last week, we learned that the government would not review the GST before January 1, 1996.

• (1430)

Are we to understand from this further deferral of GST reform that the Prime Minister has reneged on his election promise to scrap the GST and now intends to maintain the mess and the inequities generated by the GST?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the answer is no.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, can the Prime Minister undertake before this House not to take advantage of the probable election of a Liberal government in Ontario to review the GST without Quebec's consent?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am happy to see that the hon. member predicts a Liberal victory and I thank him for it. As for our commitments with regard to the GST, we are looking for a way to replace this tax. We wrote in our red book that we wanted to replace it.

The red book lists the conditions to be met and mentions in particular that the solution must be co–ordinated with the provincial governments, including the government of Quebec.

* * *

[*English*]

THE ECONOMY

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the government keeps telling Canadians that everything is okay yet in light of Moody's downgrade it should be obvious it is not.

If the government's fiscal plan is so good, then can the Prime Minister tell us why since the government's first budget interest rates have risen by more than 400 bases points? Why have five–year mortgage rates risen more than 2 per cent costing homeowners an extra $300 per month on a $100,000 mortgage? Also, why has the dollar lost over 20 per cent of its value versus the yen and the mark?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the fundamentals of our economic policies have been recognized as being very good.

Again this morning the IMF predicted the best level of growth for Canada this year. Inflation in Canada is among the lowest in the world. Of course there is some increase in interest rates due to circumstances that are not necessarily under our control.

We are working to reduce interest rates. We have seen the Canadian dollar grow in value a bit lately and interest rates are going down. The economic policies of the government will produce the result we want and will create the jobs that are needed for our economy.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, some of those are short term goals that certainly do not fit a long term fiscal plan which must deal with the problems of Canada.

The Prime Minister should recognize that since the government came into power, higher interest rates have hammered the housing industry. Resales for March were down 42 per cent from a year ago. At the same time a rising inflation rate of some 2 per cent for the month of March is forcing the Bank of Canada to continue to keep interest rates relatively high.

Does the Prime Minister not realize that his government's weak fiscal policy is forcing the Bank of Canada into the impossible position of trying to support the dollar, contain inflation and bring down interest rates all at the same time?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, over the weekend the governor of the bank said that the policies of the government are on the right track and that the budget is the right one.

I am happy to see that the Leader of the Opposition has changed his mind again and wants to have a referendum very early. When we have settled the problem of the referendum everything will be better for the economy of Canada.

* * *

[*Translation*]

CANADA'S CREDIT RATING

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, after putting Canada's credit rating under review 11 days before the budget, the rating agency Moody's decided, on April 12, to cut the Canadian government's credit rating. Moody's decision is based on a hard look at the inadequate spending and deficit cutting measures, in the middle–term, which are contained in the budget.

My question is for the Prime Minister. Does he agree that the cut announced by Moody's confirms the official opposition's contention that the government made bad decisions, did not cut

deeply enough in the federal administration, and did not review its fiscal policy in spite of the terrible state of public finances, preferring instead to transfer its deficit to the provinces?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Moody's announcement was met with skepticism since the very next day the value of the dollar increased on international markets, while interest rates decreased.

• (1435)

All the other observers greeted the budget with enthusiasm when it was tabled, back in February. Moody's was not in a good mood on that day. These things happen. While the mood changed for that agency, it remained the same for the rest of the world.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, the Prime Minister is joking about the serious and even catastrophic situation of Canada's public finances.

Mr. Bouchard: Absolutely.

Some hon. members: Hear, hear.

Mr. Loubier: Does the Prime Minister realize that if the government's credit rating is cut in spite of the sustained economic recovery, it is because Moody's was not fooled by the wait–and–see policy of its government, which is content to rely on short–term economic recovery, which passes its deficit on to the provinces, and which lets the $550 billion debt grow by the minute, instead of tackling the real problems? This is the real situation.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, just today, the International Monetary Fund released a report indicating that Canada's economic performance is one of the best in the world. Three weeks ago, when I was in Washington, I had the opportunity to meet the director general of the IMF who congratulated me on the Minister of Finance's budget.

One agency did make a negative assessment, but the vast majority of credit rating agencies and observers, and particularly the markets, gave good marks to the Canadian government, following the budget tabled at the end of February.

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[*English*]

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, in the last budget the immigration minister decided to levy a new $975 tax on refugees and immigrants to pay for settlement services. He said that those who could not afford this tax would be loaned the money to cover the costs.

How does the immigration minister intend to pay for the massive bureaucracy which will be necessary to administer the loans that pay for the tax? It is a tax because it is going into general revenue.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the $975 that was announced by the Minister of Finance on budget night is a landing fee and a recovery of program costs. The member should know that all cost recovery fees of the entire federal government go into general revenue.

The member seems to be arguing. When it came out he and his party were in favour. Then at committee they said they were opposed if it went into general revenues and not into the department, which really does not impact the bottom line.

The fact is that the landing fee is the best way of ensuring that settlement for immigrants and refugees continues. It is the best option of a series of alternatives that were certainly not as progressive.

I would like to know on any given day where the Reform Party stands on this issue.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, if the truth be known, the collection services of this government are disastrous. It cannot even look after the sponsorship agreements.

Only this minister could see the logic in expanding a bureaucracy to administer loans to finance a tax to offset runaway immigration costs when the money does not go into the immigration department at all.

Why did this minister choose to expand the size and cost of his immigration empire and impose a new tax when he could have easily cut the number of immigrants who require settlement services and make those who need them pay their own way like other countries do?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, now we get to the true Reform agenda, hiding behind some fictitious tax.

It is not going to increase the so–called empire. If the member does his parliamentary homework, he will note that in the estimates there are no such increases that the member speaks of. We already collect a transportation loan from refugees.

He talks about payback. Let me tell the hon. member that since 1951 refugees have paid back the transportation loans of $3,000, $4,000, $5,000 to the tune of 97 per cent. There is no increase in the bureaucracy.

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[*Translation*]

TELECOMMUNICATIONS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the heritage minister. Recently,

the president of Power DirecTv issued an ultimatum to the government saying: "If you do not take any action by April 24, we will have to cancel our plans". This means that the federal government intends to overturn a CRTC decision by order in council.

Can the heritage minister tell us whether there is any justification for his government's eagerness to bulldoze the CRTC on the issue of satellite TV other than to please the government's friends who are legion at Power Corporation?

• (1440)

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as the member knows, it is a concern we also have regarding the information highway.

On numerous occasions, we have stated that we favour a competitive system. It is not very clear whether Bloc members are for or against competition or for a transparent satellite broadcasting licensing system; however, it is clear that nearly all the comments on the report presented to the government on April 6 have been positive. Probably the most significant critics came from Power Corporation, which was not very happy with the report.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my supplementary question is for the heritage minister.

How can the minister deny that there is now a possibility for Power DirecTv to do like Expressvu and broadcast via satellite? This is to abide by the CRTC's ruling.

Why then prevent Expressvu from broadcasting and make it go through a different process just for the sake of pleasing Power DirecTv?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am sure the hon. member, when she thinks about it, will realize that it is better to have a process in place such as that for licensing other concerns which is transparent, open to public discussion and debate, and open to appeal, rather than the indirect method of an exemption order that was applied by the CRTC in this case. One of the reasons we referred the matter to the panel of experts was in order for them to look at the question of what the process was and whether it was an adequate process.

I think in the end the hon. member will agree that the application for licensing, if indeed we introduce the order proposed by the panel of experts, is one which will give an opportunity to everyone meeting certain qualifications which are very consistent with those that apply to cable television operators for example. It will provide funding for Canadian culture and other endeavours to be pursued by everyone interested in providing this kind of service.

TELECOMMUNICATIONS INDUSTRY

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, my question is for the Minister of Industry.

A month ago Bell Canada announced the elimination of approximately 10,000 jobs. Recently we were informed of financial difficulties at Unitel which could lead to more layoffs. In light of these developments, what is the government's position on competition in the Canadian telecommunications market?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, once again I want to restate the commitment the government has in this sector broadly to competition as being the best means of ensuring that we have the lowest prices, the broadest possible choice, and the greatest range of innovation.

This is a sector which perhaps of all sectors is one of the most globally competitive. It is one of the ones that is most important as a component to costs in Canadian business and therefore a competitive structure is one that commends itself to us.

At the same time of course we share the concerns that I am sure the hon. member is representing in realizing that a lot of firms are going to go through adjustment periods and perhaps in many cases will be downsizing. I believe it is a temporary phenomenon. In time the number of jobs created in the information technology sector is going to far outweigh the number of jobs that are lost in the short term adjustment period.

* * *

IMMIGRATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, an unbelievable lawsuit has been launched against the Government of Ontario by sponsored immigrants. They are suing Ontario for deducting $100 from their welfare cheques despite the fact their sponsors have reneged on their signed guarantee of full support.

Will the immigration minister be supporting the province of Ontario in its defence, especially in light of the $700 million that this abuse costs Canadian taxpayers?

• (1445)

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member is a little late and should talk to the immigration critic.

In the immigration levels we put before the House last November we were very clear about the plan with respect to family sponsorships.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, being very clear and doing something about it are two different things.

The minister has still not done what he said he would, to institute a system of bonds for sponsors to cover these costs. Since the province of Ontario has been able to identify those who are abusing the system will the minister now enforce the sponsorship contracts?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is the member who is misinformed. The action is certainly under way.

We said very clearly we wanted to bring under control the roughly 14 per cent of family class sponsorships that do fail, keeping in mind the overwhelming majority of immigrants who come here on family sponsorships play by the rules.

It was discussed at the committee. I hope he will consult with the immigration critic and get caught up.

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[*Translation*]

RWANDA

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

The Rwandan army has committed a real carnage on Saturday when it opened fire with automatic weapons and grenades at the Kibeho refugee camp. According to several sources, the army killed several thousand Hutu refugees.

Could the Minister of Foreign Affairs tells us whether his government made representations to the Rwandan authorities asking for an end to this kind of behaviour, in Kibeho and elsewhere?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Canadian government condemned in the most vigorous way the massacre just described by the hon. member. We immediately asked Ambassador Dusseault to go to the camp, inquire and report as quickly as possible.

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, are the incidents which happened at the Kibeho refugee camp likely to lead the government to reconsider its help and support to the new government of Rwanda, considering also the numerous rumours that circulate as to the diversion of Canadian help by Rwandan authorities?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, it is obvious that this ruthless behaviour on the part of the army puts in jeopardy all the efforts made over the last few weeks to bring about reconciliation between the various groups and factions.

Clearly, we will have to review our position at this time, because we thought that the good faith and the efforts of the government over the last few weeks seemed promising. We are waiting impatiently for the report of Ambassador Dusseault and we will act according to the recommendations he will make. I will keep in mind the suggestions of the hon. member.

* * *

[*English*]

INFRASTRUCTURE

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my question is for the Minister of Public Works and Government Services.

I understand the minister of public works consulted with the Minister of Transport about transferring $26 million from the federal strategic highway improvement program allotted for the bypass at Wentworth Valley in Nova Scotia. It is well known as being one of the most dangerous stretches of road in the country.

Where were the funds transferred? To the minister's own riding of Cape Breton, of course, for the construction of a tourist road. How can the minister justify such a blatant conflict of interest to Canadians?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I am sure the hon. member recognizes the allocation of funds for highway construction, even though in part it may come from the federal government, is a provincial responsibility.

I want to assure my hon. colleague the negotiations with the province of Nova Scotia, as is the case with many other provinces across the country, are ongoing and there are reallocations which take place from time to time. However, whatever reallocations are made are always on the basis of those negotiations with the provinces, which are ultimately responsible for not only the spending of the money but also for the route selection.

• (1450)

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the fleur–de–lis trail, which the minister is sort of talking about, does not come under this funding program. The agreement was changed by the minister of public works and the Minister of Transport. The auditor general of Nova Scotia is saying they cannot justify the change that was made.

How can the minister sacrifice the safety of Canadians for the tourist trade in Cape Breton?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is usual to answer a question asked by a member who knows better.

The reallocation of funds under this agreement and any other agreement comes as a result of requests from provincial governments. It does not just occur in Nova Scotia; it occurs on a regular basis. The extent to which provinces exercise their jurisdiction for spending money on highways and determining where those highways should go is something the hon. member should know.

The Government of Nova Scotia has announced recently the construction of a highway along, I gather, where the member thinks it should have gone originally. We are very pleased to be participating in that project as well.

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LIFE INSURANCE

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Secretary of State for International Financial Institutions.

Life insurance polices classify flying, racing, boating, snowmobiling and hot air ballooning as hazardous sports. Since hundreds of Canadians die or are injured every year in gun related activities, what action can the secretary of state take to ensure gun activities are classified also as hazardous sports by life insurance companies in Canada?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I thank the hon. member for his question.

As the hon. member knows, such decisions are taken by the insurance companies. He should take it up with them. It would not be appropriate for the government to decide on classifications and appropriate risk assessments. That is a private sector decision which insurance companies make.

* * *

[*Translation*]

IMMIGRATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, during the March 27 meeting of federal Liberals from the Bourassa riding, which the Secretary of State for Parliamentary Affairs attended, the president of the Quebec wing of the Liberal Party, Denis Coderre, made some derogatory remarks regarding immigrants and refugees, to the effect that there should be a law providing for the deportation of sovereignist immigrants.

My question is for the Prime Minister. Will he tell us whether Mr. Coderre's remarks are indicative of the government's new policy on immigration, despite the fact that he himself declared yesterday that hatred, ethnic nationalism, religious fanaticism and racism would not be tolerated?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member's question is surprising, since a member of the party to which he belongs, the Bloc Quebecois, has already suggested that immigrants in the Province of Quebec be denied the right to vote in the referendum. In light of this, it is quite singular that the hon. member raises the issue.

Mr. Coderre qualified his statement after the fact and I consider the matter closed.

Mr. Michel Gauthier (Roberval, BQ): But, Mr. Speaker, apologies were in order.

My supplementary question is for the Prime Minister. Does he intend to demand a public apology from not only Mr. Coderre but also his Secretary of State for Parliamentary Affairs, because he was there when Mr. Coderre made his remarks and he did not feel it was important, as a member of the government, to immediately dissociate himself from them?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, his words are being taken out of context. The Liberal Party has always been recognized as the pro–immigration party in Canada. In my speech last night to international parliamentarians from all parts of the world, I reaffirmed Canada's values, which include tolerance. This is one of the qualities that our party has prized for a very long time.

* * *

• (1455)

[*English*]

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, Transport Canada is undergoing the commercialization or privatization of many parts of its government transportation holdings. This includes air traffic control, air navigation equipment, airports and CN Rail. Also being considered are the Canadian ports, the St. Lawrence Seaway and possibly even parts of the coast guard.

Given this high degree of planned privatization and the need for the public to understand and accept this process, does the Minister of Transport not agree the only way to ensure this is to order an open and transparent public inquiry into all aspects of the Pearson development contract process?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is a winding and torturous road to get to that question. I thank the hon. member for listing the objectives of Transport Canada.

I do not want to comment on matters that are before the other place, but I understand there is some consideration being given to an inquiry there. I want to emphasize the importance the government attaches to getting to work at Pearson, developing the premier airport in Canada.

There can be all kinds of reasons in the minds of some to delay the work that has to be done at Pearson. As far as we are concerned the time has long past since we should have begun the work of putting thousands of people into the construction

project at Pearson International Airport, making it the kind of crown jewel of our air system it should be.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I have never questioned the right of the government to cancel the Pearson contract. With that right goes an obligation to the Canadian taxpayer to show the need for the action, the cost of the action and where the government will get the money for an alternative.

Using the government's own figures, cancellation will cost a minimum of $500 million if the rule of law is followed and the crown construction option will cost another billion.

Where will the government get this $1.5 billion not in the Liberal's latest budget?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member has come directly to the point with his supplementary question.

There is no question that if we continue the process that some are on at this point, as the hon. member says, it could cost Canadian taxpayers $500 million without a nail being driven or an inch of asphalt being laid.

The point is the Government of Canada has made known its position. We are prepared to pay up to $30 million for reasonable out of pocket expenses to compensate those people who were involved in the process, many of them third party not directly involved in the process that led to the granting of that final contract.

The difficulty with the Reform Party is as usual it wants its cake and wants to eat it too. That is not the way it works in the real world.

* * *

ILLITERACY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Prime Minister.

Today the book by Ben Wicks, "Born to Read", was launched on Parliament Hill, reminding us all of how important and how serious the problem of illiteracy is Canada. However, it is not evident by the actions of the government that it takes this seriously.

There are some seven million people in Canada who have difficulty or extreme difficulty reading. Because national literacy groups are still on year to year funding and not core funding it is very difficulty to plan.

Will the Prime Minister comment on this important day and commit to allowing literacy groups to have long term funding, not on a year to year basis to solve this problem?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, education is more a problem for provincial governments but we have national programs to help.

There was a specific problem coming from the federal government for that program which is financed on a yearly basis. Everybody knows the government is facing some difficult budgetary problems. I will look into the matter and see what can be done.

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I am sure the Prime Minister will agree that having seven million citizens who have difficulty or extreme difficulty in the every day tasks of literacy is hindering this country's economic and social development.

Will he commit to long term funding and a serious commitment by the government to attacking the issue of illiteracy?

• (1500)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, part of the work we have given to the Minister of Human Resources Development in the reform of unemployment insurance and social programs is for him to review this in the next months to come. There will be an element to make sure that all Canadian citizens can benefit from our policy so that training and gaining abilities in learning is key to finding jobs in our society.

It will be part of the discussions we will have in the House when the reform of the social programs and transfer programs to the provinces will be discussed. The hon. leader of the NDP will have a chance to comment at that time.

* * *

EDUCATION

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Human Resources Development.

As of this week, many college and university students will be returning to their homes throughout Carleton—Charlotte to begin their search for needed summer employment so they may obtain the necessary funds to return to school this fall.

What actions are being taken by the government to address this important employment opportunity for the youth of our communities?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, in keeping with the red book commitment, young people are a priority for the government. We have taken measures to give them opportunities to learn some very valuable skills.

I am happy to announce, as I did three weeks ago in the city of Vaughan, that the overall budget for youth employment and services has been increased by $43 million even during this fiscal restraining time. This speaks volumes for the type of commitment that we as a government have toward our young people.

PRESENCE IN GALLERY

The Speaker: Colleagues, I wish to draw to your attention the presence in the gallery of the Hon. Stephen Kakfwi, Minister of Justice and Minister of Intergovernmental and Aboriginal Affairs from the Legislative Assembly of the Northwest Territories.

Some hon. members: Hear, hear.

[*Translation*]

The Speaker: I wish as well to draw the attention of members to the presence in our gallery of His Excellency Ricardo Alarcon de Quesada, Speaker of the National Assembly of the Socialist Republic of Cuba.

Some hon. members: Hear, hear.

[*English*]

This brings question period to its conclusion.

ROUTINE PROCEEDINGS

[*English*]

REPORT OF BYELECTIONS

The Speaker: I have the honour to lay upon the table the report of the Chief Electoral Officer of Canada entitled "The February 1995 Byelections: Another Step Forward".

[*Translation*]

Accordingly, pursuant to Standing Order 35, this document is deemed permanently referred to the Standing Committee on Procedure and House Affairs.

* * *

[*English*]

ORDER IN COUNCIL APPOINTMENTS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to table, in both official languages, a number of order in council appointments that were made by the government.

Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, while I have the floor and pursuant to Standing Order 78, I have the honour to table, in both official languages, the government's response to 36 petitions.

• (1505)

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 73rd report of the Standing Committee on Procedure and House Affairs regarding the list of committee members.

With the consent of the House, I intend to propose adoption of the 73rd report later today.

[*English*]

Mr. Speaker, I move that the 73rd report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

* * *

MOTION NO. M–5

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I wish to seek the consent of the House to withdraw Motion No. M–5. It is my motion in Private Members' Business and it deals with the issue of excise taxes on ethanol.

In December the government introduced legislation which will handle that situation to my satisfaction. The new ethanol program that deals with the issue was put forward then and further debate is not required now.

(Order discharged and motion withdrawn.)

* * *

PETITIONS

GOODS AND SERVICES TAX

Mrs. Shirley Maheu (Saint–Laurent—Cartierville, Lib.): Mr. Speaker, I have the pleasure of presenting a petition from several residents in Quebec and more particularly the group Affordable Textbooks Now.

As the result of the increasing cost of textbooks which are needed for student studies, many people are forced to effectively break the law because they are photocopying in part or in whole many of the textbooks for which they are not in a position to pay.

Therefore they request that Parliament put an end to the GST on textbooks and take into account the high price of textbooks when allotting money for educational funding.

[*Translation*]

ARMENIAN PEOPLE

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, I have the honour of submitting a petition signed by over 1,000 petitioners concerning the Armenian genocide. The petitioners note that our country, recognized as an active defender of democratic principles and human rights, has yet to officially

condemn the atrocities and commemorate the first genocide of the 20th century.

Accordingly, the petitioners ask Parliament to change its policy of indifference to the Armenian genocide, to take the initiative and to actively promote international efforts in order to persuade Turkey to acknowledge its crime against humanity.

[*English*]

HUMAN RIGHTS

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my duty and honour to rise in the House to present a petition duly certified by the clerk of petitions on behalf of 43 constituents from the riding of Saanich—Gulf Islands and more specifically from the island of Saltspring.

The petitioners call on Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

GUN CONTROL

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present four petitions to the House today from my riding of Prince George—Bulkley Valley containing several hundred names and dealing with the proposals for gun control.

One petition is from Mr. Dan Varma of Prince George, B.C.; two from Mr. Jim Eisert of Fraser Lake, B.C.; and, one from the Prince George branch of the Responsible Firearms Coalition.

All these petitioners request that Parliament support laws which will severely punish all violent criminals who use weapons in the commission of a crime; that Parliament will support new Criminal Code firearms control provisions which recognize and protect the right of law-abiding citizens to own and use recreational firearms; and finally, to support legislation which will repeal and modify existing gun control laws which have not improved public safety or have proven not to be cost effective or have proven to be overly complex so as to be ineffective and/or unenforceable.

• (1510)

[*Translation*]

VOICE MAIL

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure of submitting to this House a petition from the people of the county of Chicoutimi, who wish to draw the attention of Parliament to the following: considering that seniors are naturally the least familiar with voice mail technology and considering that seniors are entitled to appropriate service with regard to their requests concerning income security, the petitioners ask the government to abandon its plan to install voice mail for senior citizens.

[*English*]

CANADIAN WHEAT BOARD

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present the following petitions on behalf of constituents of my riding of Souris—Moose Mountain and other parts of Saskatchewan.

In the first petition, 238 people support the retention of the Canadian Wheat Board.

FIREARMS ACT

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, the second petition contains 300 signatures of people who oppose Bill C-68 and ask that Parliament refrain from implementing any further firearms legislation.

ASSISTED SUICIDE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, the third petition contains 315 signatures of people who oppose physician assisted suicide.

BOVINE SOMATOTROPIN

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure of presenting petitions signed by 201 residents primarily from my riding of Simcoe North.

The petitioners request that Parliament ban the use of BST in Canada and not accept milk products from other countries where BST is used to treat cattle.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, under Standing Order 36, I am pleased to present petitions on behalf of 183 people in Prince Edward Island.

The petitioners humbly request and call on Parliament to desist legalizing the use of BST or rbGH in Canada. They further request that legislation be passed requiring it to be mandatory for all imports produced from BST treated cows be so identified. I so support.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 133, 141 and 159.

[*Text*]

Question No. 133—**Mr. Simmons:**

With respect to the search and rescue program, what action will the government take in response to the Auditor General's 1994 findings about the "lack of action on many

previous recommendations", specifically that (*a*) "significant elements of a national search and rescue program have not been developed", (*b*) "time–based search and rescue service standards—are lacking", (*c*) "expanded use of volunteer and other resources should be pursued" and (*d*) "greater use of other federal resources for search and rescue is possible"?

Mr. Peter Milliken (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): I am informed by the Departments of National Defence and Transport as follows:

(a) Relating to the federal government's area of responsibility, the system for directing the operation of SAR activities and resources is well established. There has also been good progress in developing principles and plans for managing the federal portion of the national SAR program. With reference to provincial and territorial governmental involvement in the national SAR program, progress has naturally been slower as the provinces and territories assess the value of their involvement in the co–operative program such as SAR. The federal government will continue to display leadership in this area.

(b) Since the original recommendation of the Auditor General (AG) in 1992, the Department of National Defence (DND) and Transport Canada have consistently maintained that they disagree with the AG recommendation for time–based SAR service standards. Both departments have developed suitable service standards and they do not judge that time–based service standards provide an accurate or effective indicator of program performance.

The Canadian Coast Guard responds to 6,000 to 8,000 search and rescue incidents, of all types, per year. The existing system includes coast guard, other government vessels, the Canadian Marine Rescue Auxiliary, and vessels of opportunity.

The present levels of service indicate that, on average, 90 per cent of lives at risk in marine distress incidents are saved by all responders, private and government. Thus, the Canadian search and rescue system compares favourably with systems of other countries.

The Canadian Coast Guard has published many standards for search and rescue. These standards pertain to operations, co–ordination and planning and performance. The standards apply to the rescue co–ordination centres and sub–centres, primary and secondary vessels, the Canadian Marine Rescue Auxiliary, and other components of the coast guard search and rescue system.

The Canadian Coast Guard has established levels of service (LOS) for search and rescue which focus on quality and extent of service and the effectiveness of response, based on the actual probability for effecting a rescue. On the basis of these LOS criteria, it should be noted that the comparable results between the whole Canadian marine search and rescue system and that of the United States for the period 1986 to 1990 are 90.5 per cent versus 80.3 per cent.

The departments involved in search and rescue are currently enhancing and integrating their information systems in order to improve performance reporting and analysis. Until recently they lacked an automated information system to provide timely data on the performance of federal search and rescue resources. In addition, further sophistication of analysis as to severity of the incident and the type of assistance provided continues to be required for decisions on levels of service, acquisition and management of resources.

A new computer information system called SISAR is currently in use by the Canadian Coast Guard and the Department of National Defence. This new system, which captures accurate and consistent data on search and rescue incidents, establishes an information base which will provide essential information for consideration in the decision–making process concerning the search and rescue program.

(c) In 1978, the Canadian Coast Guard established the Canadian Marine Rescue Auxiliary (CMRA), an all volunteer force. It started with four members in Nova Scotia; by last year it has expanded to five separate associations in all areas of Canada with some 3,300 members and 1,200 vessels. Last year, these volunteers responded to some 1,800 search and rescue incidents—about 25 per cent of the total. The Canadian Coast Guard is continuing to support and expand the capability of this effective group of volunteers.

In 1992, the Canadian Coast Guard's Laurentian regional office was given a mandate to develop an approach to promote the co–operation of local resources to provide search and rescue services on inland waters, advise local resources and ensure technology transfer for search and rescue training, equipment and expertise. The Laurentian regional office set up a successful pilot project in the Lac St. Jean, Quebec area which is being used as a model for other coast guard offices across the country.

The federal government of Canada places a high value on the contribution of volunteer SAR organizations such as the Civil Air Search and Rescue Association (CASARA) and the Canadian Marine Rescue Auxiliary (CMRA). In the face of increasing fiscal restraint, the participation of volunteers in the national SAR program becomes increasingly important. To illustrate, the government provides $800,000 per year and the services of 12 Canadian forces training and support personnel to assist in training CASARA volunteers. Specialized SAR equipment is also provided for installation on CASARA aircraft. The federal government search and rescue officials will continue to pursue every opportunity to use volunteers in search and rescue activities.

(d) The interdepartmental committee on search and rescue (ICSAR) was formed to co–ordinate federal involvement in search and rescue activities. Currently, the federal government

actively pursues a policy of interdepartmental co–operation to enable utilization of federal resources for search and rescue and to provide a cost effective SAR service.

The search and rescue system maintains an inventory of all available federal resources in each search and rescue region. By law, all vessels have to respond to distress situations. The Canadian Coast Guard has primary search and rescue vessels and by policy, all other coast guard vessels are now assigned multi–tasking duties to cover primary search and rescue and other program duties in certain search and rescue areas. Further, some federal resources such as the Department of Fisheries and Oceans, the Department of National Defence and the Royal Canadian Mounted Police vessels carry out search and rescue operations as tasked by rescue co–ordination centres.

Question No. 141—**Mr. Mayfield:**

With respect to the consolidation of office space planned within the national capital region by the Department of Citizenship and Immigration, (*a*) what is the cost per year for each of the 11 office leases currently held by the department, (*b*) what are the expiry dates of each of these leases, and (*c*) what are the expected savings per year for this consolidation plan?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): In so far as Public Works and Government Services Canada is concerned:

(a)	Leased Facilities	
	Bonaventure Bldg.	$ 245,808
	Elgin Business Inn	18,405
	Fontaine Building	333,121
	Heritage Place (2 leases)	788,279
	Les Terrasses de la Chaudière (LP* – 2 leases)	210,501
	Place de Ville	388,944
	Place du Centre	149,847
	Place Vanier "A"	200,258
	Trebla Bldg.	552,328
	Crown Facilities	
	Place du Portage I	$ 322,414
	Place du Portage I & II (Commercial)	22,960
	Place du Portage II	243,386
	Place du Portage IV	$2,650,428

(b)	Location (Leased Facilities)	Lease Expiry	Options
	Bonaventure Bldg., 301 Elgin, Ottawa	1996–04–30	1 x 1 year
	Elgin Business Inn, 180 MacLaren, Ottawa	1995–10–31	3 x 6 mths
	Fontaine Bldg. 200 Sacré–Coeur, Hull	1996–08–31	N/A
	Heritage Place, 155 Queen, Ottawa	1995–12–31	2 x 3 mths
	Les Terrasses de la Chaudière, Hull (LP*)	2013–06–30	N/A
	Place de Ville, 320 Queen, Ottawa	1995–11–30	1 x 1 year
	Place du Centre, Hull	1998–05–31	5 x 1 year
	Place Vanier "A", 333 River Road, Vanier	1996–10–31	1 x 14 mths
	Trebla Bldg., 473 Albert Street, Ottawa	2003–10–31	N/A

*Lease Purchase Facility

(c) It is estimated that this relocation will result in savings of $1.4 million to 1.7 million per year for 10 years, based on an estimated net reduction of some 7,050 square metres at a market range of between $200–$250 per square metre.

The tender for this requirement closed on January 26, 1995.

Public Works and Government Services' analysis concluded that none of the six bids submitted met the technical requirements set out in the lease tender call. The financial envelopes were returned to the bidders unopended.

On March 3, 1995, I announced that the tender for this relocation would undergo a third party review before the project proceeds further.

Question No. 159—**Mr. Caccia:**

In airports across Canada, is Transport Canada arranging for the collection of de–icing fluids in accordance with CEPA guidelines, and if so, (*a*) at which airports under Transport Canada management or jurisdiction is this collection taking place, (*b*) how is this collection taking place and, if not, when and where will such collection be installed?

Hon. Douglas Young (Minister of Transport, Lib.): (a) and (b) The responsibility for the collection of de–icing fluids at Transport Canada airports remains with the air carriers or de–icing operators. The means of collection and disposal are outlined in the site specific glycol mitigation plan submitted to Transport Canada.

Glycol mitigation plans have been submitted at the following Transport Canada airports: Halifax International, Quebec City,

MacDonald Cartier International (Ottawa), Lester B. Pearson International (Toronto), Thunder Bay, Regina and Winnipeg International. The four local airport authorities also have plans in place, i.e. Vancouver, Calgary, Edmonton and Aéroports de Montréal, Dorval/Mirabel.

The mitigation plans are designed to ensure that spent glycol fluids are contained, collected and disposed of in an environmentally acceptable manner.

The effectiveness of the plans are measured by the amounts collected and from stormwater analysed against the CEPA guidelines.

It should be noted that copies of the glycol mitigation plans were submitted to the Standing Committee on Environment and Sustainable Development.

[*English*]

Mr. Milliken: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

FARM IMPROVEMENT AND MARKETING COOPERATIVES LOANS ACT

The House resumed consideration of the motion. That Bill C–75, an act to amend the Farm Improvement and Marketing Co–operatives Loans Act, be read the second time and referred to a committee.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I would like to pick things up exactly where we left off approximately 67 minutes ago. We were replying to the Parliamentary Secretary to the Minister of Agriculture on Bill C–75 which will raise from 1.5 billion to 3 billion dollars the maximum amount of government guaranteed farm loans.

As I had to split my speech in two, I should perhaps remind members that the bill before us seeks to amend the Farm Improvement and Marketing Cooperatives Loans Act. I will now continue reading my text exactly where I left off at two o'clock, about 67 minutes ago.

Let us say, for example, that the Quebec Société du financement agricole keeps a very close watch on the rate of increase of farmers' indebtedness and that, in so doing, it modifies its standards and criteria. It would never have the necessary leeway to implement its decisions because a federal agency would once again meddle in its affairs and muddle up the initial goal of the Quebec government. The federal government's eligibility criteria do not necessarily reflect provincial priorities.

• (1515)

Federal agencies compete with provincial agencies, which may have stricter criteria, and I must say that the provinces are in a better position to know the real needs of their citizens. In any case, they are certainly in a better position than the federal government, which has to enact general policies that must be realistic and applicable from coast to coast.

The thing that we must remember is that, once again, instead of eliminating overlapping and giving the provinces their own tools, the Liberal government has decided to keep everything under its control. By maintaining this overlapping, the federal government gives itself the opportunity to intervene in the management of our agricultural sector in Quebec.

It should also be emphasized that it is very strange that this act is administered by the department instead of the Farm Credit Corporation. Even if the programs are different, the Farm Credit Corporation already arranges loan guarantees. That is a striking example of administrative duplication. This is not duplication between government levels but in fact duplication within the same government.

We, in the Bloc Quebecois, wish that the government would give to the provinces the financial resources that belong to them. As the Prime Minister said earlier in answer to a question from the Leader of the Opposition, Quebec is not begging but merely asking for what it is entitled to.

Provinces will thus be able to take over the administration of programs like the one Bill C–75 deals with. It must be clearly understood that we are not against the bill as such but we firmly oppose the overlap and duplication it perpetuates, whether in the same government, that is the federal government, or between the federal government and provinces. We believe the bill is relevant but we regret that it maintains duplication.

I would now like to submit some statistics found by our researchers about FIMCLA or Bill C–75. First I wish to remind the House that since February 1988 when the above amendments came into force, over 65 000 loans totalling some $1.5 billion have been granted under the act.

I should also remind you that the province which benefits the most from the act is Saskatchewan, followed in second place by Alberta and third by Quebec. I believe Ontario comes in fourth place in terms of utilisation of the act but I must remind you the rural Ontario enjoys a high standard in terms of agriculture and investment needs. To this day, some 10 loans have been granted under the act for co–operative projets with a total added value of $14.2 billion.

In 1994–95 for example, 17,000 loans totalling some $475 million have been granted under the act. Again in 1994–1995, the average loan is $27,000 and the five–year average is $22,000.

• (1520)

In the last 25 years, net losses incurred under the act have accounted for 1 per cent of all guaranteed loans each and every year.

I would now like to talk to you about interest rates. I think that interest rates are reasonable and favourable to farmers. The maximum interest rate that lenders can set is the prime rate plus 1 per cent in the case of variable rates. Or, if you prefer, the variable rate is equal to the prime rate plus 1 per cent, so it changes like the tide. If interest rates go up, the interest rate paid by farmers on loans guaranteed under this act will go up as well. Conversely, if interest rates go down, the interest rate paid by farmers will also go down.

However, if the farmer wants a fixed rate for five years, the rate will be the prime rate at the time he negotiates his loan plus 2.25 per cent. But it must not go beyond a fixed five year period. According to the statistics I am quoting to you, in 1991, some 683 rural lenders such as caisses populaires and credit unions were accredited as lenders under this act.

As you know, Mr. Speaker, caisses populaires were treated inequitably in the past, because the caisse populaire network plays an extremely important role in Quebec. Often, it was less profitable for the large banks to do business in rural areas, so they withdrew to the major centres. They left rural communities to the caisses populaires, making it difficult for our farmers to borrow money since the caisses populaires were not even accredited.

How could the central government, with its so–called respect for institutions, have the nerve not to accredit the caisses populaires? Only large banks had this privilege, because, as we know full well, the caisses populaires never make financial contributions to political parties, be it the Bloc Quebecois or any other political party.

You see, since they were not major contributors to election funds, they were simply relegated to that kind of loan. It is a disgrace. Fortunately, staunch nationalists such as the Parti Quebecois members, whose courage I must salute, pressed and reasoned the the federal government into recognizing credit unions as lenders for the purpose of this loan guarantee.

While accounting for 25 per cent of the total Canadian population, Quebec is only the third largest user of loans guaranteed by the federal government at seemingly interesting interest rates under this act. Why do Quebec farmers not use this window? Because it is not well known at all. So, with your permission, I will try to describe it as briefly and simply as possible.

First of all, I must tell you that this act does not apply to anyone who wants to start a farm business. If you want to buy a farm with a view to eventually becoming an independent farmer, this act is not for you; you have to go either to the Farm Credit Corporation, which is a federal institution, or to the Société du financement agricole, which is a Quebec institution.

• (1525)

The bill before us this afternoon is for farmers who wish to make improvements, expand their facilities, buy out a neighbour, those who want to build extensions, for example an addition to a hog house, build a road across their farm to get to the wood at the other end of the property, install an electric generator in a hog house or refinance and consolidate all their debts in a single loan. That is what this kind of loan is for. It could also be used to buy cattle, install a new grain silo or buy the neighbour's silo to move it to your land. As you know, the cost of building a manure pit or buying tractors, rotary mowers or combine–harvesters is always on the rise.

Of course, the government is not guaranteeing loans of less than $2,000. As you know, in 1995, we cannot afford to create paperwork costing more than the benefit provided. There is also an upper limit. For farmers, the maximum is $250,000, while in the case of agricultural co–operatives, it is $3 million.

Some purchases are not eligible, such as short term goods. Under Bill C–75, piglets weighing 35 or 45 pounds would not be eligible because such a purchase is for a short term of about five or six months. Consequently, it would not be eligible. The same is true in the case of repairs to the family home on the farm. Such an expense would not be eligible. Nor would the purchase of quotas. A dairy producer interested in buying a quota to generate a more substantial income would not qualify.

So, under that bill, a farmer can borrow up to $250,000 and an agricultural co–operative up to $3 million. The loan guarantee must cover the maximum of 80 per cent of the loan. We cannot guarantee more than 80 per cent of the assets bought. In the case of a farm expansion, the maximum period provided to repay the loan is 15 years, while it is 10 years for any other product or good. It goes without saying that, if the product bought will only last four years, the maximum period provided to repay the loan will not be 10 years but four.

Let us now look at payments. Payments could be made on a monthly basis, but at least one payment would have to be made each year. If someone says: "I only want to pay every two years", that would not be possible under this bill, since a minimal payment is required every year.

I have already addressed the issue of interest rates, so I will recap briefly. If you talk about the variable interest rate, the floating rate, that is the prime rate plus 1 per cent. If you choose the fixed rate, that is a lot more costly. A fixed rate is only good for 5 years and is equal to the prime rate plus 2.25 per cent.

Finally, I would like to take a minute or so to talk about the registration fee and the administration charge.

• (1530)

Farmers who ask for a loan under the Farm Improvement and Marketing Cooperatives Loans Act must make a payment of one–half of 1 per cent, or 0.5 per cent of the total amount of the loan. This money is paid to the Receiver General for Canada so that the loan guarantee can be examined. Over and above this 0.5 per cent, the lender can also add $250 or one–quarter of 1 per cent of the amount, whichever is less, as long as it does not exceed $250,000.

As was said earlier, this also applies to co–operative agricultural societies, and there are quite a few of these in Quebec. The Co–operative Society of Disraëli, a town located not far from my area, contracted a loan a few years back when it built silos in order to produce feed. This loan was guaranteed by the federal government.

A co–operative agriculture society can therefore get up to almost $3 million at the same interest rate as the one mentioned earlier for farmers.

The Bloc Quebecois will support Bill C–75. But again, I want to make it clear that we support this legislation so that our farmers can receive the financial resources they need to expand and so that they can get from the federal government the guarantees to which they are entitled, since they pay taxes just like any other worker in Canada and particularly in Quebec.

But, as I said a few moments ago, we do have some objections concerning duplication and overlap.

During the four days of recess in the week after Easter, I visited several farmers who are friends and colleagues of mine. I told them that I was going to speak on this bill today. A very big majority of farmers, although not all of them, said to me that they were not familiar with this act. This is certainly why Quebec is only the third most important user of the services provided under this act among the ten Canadian provinces, even if Quebec farmers alone account for more than 17 percent of farm production in this country.

Saskatchewan, a province with a small population base, ranks first because the program was well advertised in that province. Mr. Fernand Fillion, a hog producer in Lyster, told me that, before building his new hog house, an investment of well over $1 million, he examined the services provided by the Société de crédit agricole du Québec, the Société de financement agricole in Quebec and under this act. He realized that the loan provided by the Société de financement agricole du Québec was the most profitable option in his case.

Farmers have three options: they can borrow money through the Société de financement agricole, the Société de crédit agricole du Québec, or under the Farm Improvement and Marketing Cooperatives Loans Act. Why not save money through the single window approach? Farmers would not have to knock at three different doors, and travel to as many as three cities to meet with civil servants who cost the government a lot of money. It is always the same taxpayer who pays for this kind of inefficiency and duplication.

• (1535)

When we, members of the Bloc Quebecois, visit people in our rural areas, our concessions, our municipalities, our small towns, and tell them about all this duplication, they understand easily and quickly why we have a $40 to $45 billion deficit every year.

We could easily save millions. I have a perfect case of duplication within the government. Just last week, a farmer was telling me: "We would like to deal exclusively with the Quebec Minister of Agriculture because he is the one that we know. We do not even know who the federal Minister of Agriculture is and, when he comes to see us, he has great difficulty talking to us in our own language". It is not a bad thing, of course, but it must be understood that Quebecers are a lot closer to their provincial government than to the federal government.

The Minister of Agriculture is constantly telling us that his ultimate goal is to help farmers. If he really wants to help farmers, why not make things easier for them by having a single window and using the money that the government will save this way to lower interest rates? It would not cost a penny more and farmers would be a lot happier.

I take this opportunity to invite the Minister of Agriculture to take a week off and to come and visit with farmers in rural Quebec. Among the 17 or 18 Liberal members who represent Quebec in this government, there are certainly a few who come from rural ridings. I am sure they are not all city members from the West Island. There must be a few among them who have seen a cow up close and who have been in a hog house. Let them come and visit. There is the Prime Minister, whom I know very well and who represents the beautiful riding of Saint–Maurice. There are fine farms in his riding. I invite, for example, the Minister of Agriculture to visit the riding of Saint–Maurice and to ask farmers what they want. In Saint–Maurice, which is different from the riding of Frontenac, there must be some federalists, since they elected the Prime Minister. So, that is where the minister should go.

I am telling you, Mr. Speaker, farmers know that they are being had by this government. Monday morning, I met a farmer who told me—because he had watched the debates of the opposition day concerning cuts in agriculture, being himself an industrial milk producer—that he thought he would lose approximately $4,000. And it is the last thousand dollars that is profitable, not the first.

You know, Mr. Speaker, in a cow barn, it is not the first cow that is milked in the morning that is profitable, but always the last. Indeed, the last one is all profit. With this 30 per cent cut in the industrial milk subsidy, the government is taking away from the farmer this last cow which brought him his $4,000 at the end of the fiscal year.

• (1540)

He did not need to convince me, of course, but the dairy producer's concern was that in August the price of dairy products would be increased. By increasing the price of dairy products, and this is a proven fact, we will diminish consumption, which, in turn, will entail a reduction of the quota. So, I get the picture, Mr. Speaker. I am explaining these things to you and I am sure you understood them before I started speaking about them. And you may share my point of view that we should try to work not for us, but for our farmers, once and for all.

[*English*]

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, as I listened to the debate I asked myself why we are here, why we have heard, as we have so often in the past, of amendments to particular bills or new legislation being introduced.

I would criticize the government for dodging what I think is the big issue. If I talk about the farm improvement loans act, I will not be specifically critical. By and large it has been a good program, as has been mentioned today. Especially in my province of Saskatchewan it has been very well received and very well used. The parliamentary secretary to the minister is absolutely correct. The default rate is not very high when one considers the amount of money lent through that program.

As I said before, perhaps the big picture or the issue is being dodged or avoided to some extent. I refer to what my colleague from the Bloc had to say. For obvious reasons the member from the Bloc has different plans, different hopes and aspirations for his province than I do for mine. I find myself agreeing very much with what he said today when he talked about the duplication and the overlap of these types of programs.

In Saskatchewan if farmers wanted to borrow money with some sort of government assistance or help they could look at this current program, the farm improvement loans act, small business loans, the Farm Credit Corporation or, only in Saskatchewan, the Agriculture Credit Corporation of Saskatchewan. A farmer has his or her option of four different areas or wickets, as my friend from the Bloc said, from which to borrow this money. I ask myself why. I see no reason for four different bureaucracies to get the same end result.

If I look back on the motion I put forward which is before the House now, one of the basic pillars my motion is built on is to reduce duplication and overlap and to bring the services that cannot be privatized into the lowest or the most local department for delivery of programs or services.

I do not think anybody would deny farmers need access to capital for the financing of their endeavours just as any other business does. Because of the unique characteristics of agriculture with its exposure to unique risks, the private financial services industry has at times been reluctant to provide the services farmers and agri–food businesses need. The unique risks the farming industry faces are related to being very much at the mercy of mother nature and the fact that for the most part we produce perishable goods that must be moved quickly to market and sold.

In our integrated global trading environment where food and non–food products are shipped across our borders, our oceans, our skies and our land, a natural disaster such as a drought, a flood or a hailstorm in one part of the world could create shortages that farmers somewhere else must fill.

The international agricultural marketplace can thus be very volatile and is affected from year to year by price hikes and price drops, by supply gluts and supply shortages. These unique facts of life that farmers face create unique financial needs that some financial services provider must fill.

• (1545)

Our discussion about farm financing should centre around asking the simple question: How can our society and our world best serve the financial needs of the agriculture industry and thus ensure that we have a safe, stable, affordable, and abundant food supply?

Generally, farmers and agri–businesses have proven over the years to be good borrowers to meet the terms and conditions of their loans on time and in full. As the parliamentary secretary has mentioned, that is the case in this program.

There have been years in which an onslaught of unfortunate disasters has occurred that has stretched farmers' income and expenditure balance sheets to the very limit. At times like these, provincial and federal governments have stepped in with emergency aid because the public's interest for a stable food supply has been put at risk.

I can tell you, Mr. Speaker, after spending my entire life in the farming industry, that no farmer wants government handouts. No farmer wants government to be his full time partner in business. We have said over and over again in this House that farmers, just like other business entrepreneurs, want governments off their backs and out of their pockets. We want lower taxes and input costs. We want a streamlined and efficient regulatory process. We want governments to negotiate good trade deals and to open up access to marketplaces so that we can develop to our full potential as world competitors.

What concerns me about legislation such as Bill C–75 is that government is stepping in and taking a role that the private financial services industry could and perhaps should provide. As long as this government or any government continues to

participate in this kind of financial activity, I do not believe that the private sector will ever become motivated enough or competitive enough to provide the financial services the agriculture sector needs. Why should it?

It also strikes me as ironic that the private sector would actually have the level of confidence in the federal government as its guarantor that it appears to have. I know the federal government will certainly have about $120 billion worth of tax revenue this year and that the $3 billion in loan guarantees that this act provides for is probably sound, even if it were all to be defaulted upon, which of course it will not be. This type of financial arrangement does raise the ironic question of how an organization that is $550 billion in debt and that will pay almost $50 billion this year in interest payments can be counted upon as a guarantor of anything.

It is the government that is in debt trouble and in need of a bail out, not the the farmers or the lenders. We might have the cart before the horse in this case.

Therefore I would assert that it is time to ask the question about what the proper approach to financial services for the agriculture sector is. Should government be increasing loan guarantee programs at this time? How can it really be a guarantor of premium quality when its own finances are in such bad shape? Should not the government rather be encouraging the private financial services industry to serve the agriculture industry?

I believe there would be financial companies that would move into this service market, competition would be introduced, and farmers would therefore get good service. The government should clearly indicate to the private sector what it sees as its limits of involvement and then develop policy in that direction.

There is no free lunch. As individuals, farmers, business people or whoever we are, we will all pay for the goods or services that we need. If we get what we need from the private sector we will pay in dollars. If we get it from the public sector we will pay in tax dollars. Mr. Speaker, it is a crying shame that my children and yours are going to have to pay back the $550 billion debt that we now owe for services that we enjoyed. Debt is nothing other than deferred taxes and the intergenerational transfer of financial obligation.

I ask you, Mr. Speaker, before this problem gets worse, might this Parliament not be the one that recognizes the importance of a clear and better division of responsibilities between the private and the public sectors, between paying by taxes or by dollars. Surely, we should not simply approve this bill or any other like it before asking how much it will cost, how are we going to pay, and is there a better way to do this. If generational stewardship and self–responsibility mean anything, surely we must ask these questions and seek the best answers.

• (1550)

Government must no longer be allowed to continue to grind along day after day, year after year, program after program as a self–contained and self–propagating industry, completely insulated from and oblivious to the long–term consequences of its actions. We either repair and fix our economic house now or our children are going to have to fix it—or it is going to have to be fixed for us by outside sources.

At committee stage of Bill C–75, my Reform colleagues and I want to talk about these matters. We believe that there may be some amendments to this bill that would be in order. We will listen to what other members have to say, what the officials have to say. But rest assured that we will press forward and onward as Reformers in the last decade of this century and this millennium to ensure that our children are not saddled with the catastrophic results of irresponsible actions that we the parents take.

In conclusion, I want to say that the criticism of this amendment to Bill C–75 is not one that would see this act replaced. It is an act that could simply be consolidated, as I mentioned before, with the Small Businesses Loans Act, perhaps put under the auspices of the Farm Credit Corporation, if that is the most efficient and most effective way to do it, and get rid of the huge bureaucracies, as my colleague from the Bloc mentioned.

There are three federal bureaucracies in Saskatchewan. I firmly believe that at least one and most likely two of those could be eliminated. All those types of lending guarantees that the federal government produces for the farm industry should be carefully examined. The big picture of this issue must be looked at, not simply a band–aid measure to make an amendment.

The parliamentary secretary is correct in saying that if we do not make this amendment the program will have to be delayed for two years. However, we can do better than that simply by opening up what we believe and perceive to be a strangulation of the system by effectively not being prepared to look at consolidation and removal of duplication.

As I mentioned, my colleagues and I will be preparing amendments for committee stage of this bill. We would ask that the government and the official opposition would support and work with us on any amendments that would make our system more cost–efficient and effective.

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, let me start by saying that the level of interest in the agricultural community is very high with regard to this particular aspect of financing.

The access to capital is probably paramount to achieving long–term success in agriculture, as it may apply to farm improvements, processing, distribution and marketing of farm products. The program has proven very popular with farmers. The five–year, $1.5 billion cap has almost been reached. Consequently, we have two choices: increase the aggregate load limit

or suspend the program. I would like to examine those two options in greater detail today.

The first option is to increase the aggregate amount of loans that can be made under the FIMCLA program from $1.5 billion to $3 billion. In considering this option, one might ask how risky this program is and how many loans go into default. The record is really very good. The net claims rate—that is, the gross minus recoveries—is about 1 per cent, and has remained at that level fairly consistently over the last 25 years. There have been some blips. There have been occasions when it has risen as high as 1.5 per cent. On that occasion in the 1980s, it was caused by high interest rates, low farm income, and land devaluation.

• (1555)

Since 1992 there has been a significant reduction in claims and the program now has a positive cash flow. This is expected to continue at least through 1997. There will be some extra costs associated with the higher aggregate limit, but measures will be taken to offset this. For example, an increase of only 0.25 per cent in the registration fee would be sufficient to offset these extra costs and maintain the current level of liability for at least another five years. For the average loan of $27,000, this would amount to an increase in costs of $67.

The number of loans and any losses will continue to be monitored on an ongoing basis if the net claim rate is higher than anticipated. Program costs could be controlled. For example, the guaranteed level could be lowered from 95 per cent and loan eligibility could be limited or registration fees further increased. In other words, the aggregate limit can be increased at little or no cost to government, and should satisfy program demands for another 10 years. It is a positive measure that is supported by the agri–food sector and commercial lenders.

The second option is maintaining the status quo, keeping the current aggregate limit to $1.5 billion and suspending the program once the limit is reached.

In the first nine months of 1994–95, $422 million in loans were guaranteed under the act, bringing the five–year aggregate loan limit to $1.24 billion. If the current trend continues, the present $1.5 billion cap could be reached as early as June, at which time the program will have to be suspended. Since annual loan registrations are expected to continue in the $500 million range and the loans falling due are worth $80 million this year, $115 million next year, and $196 million the year after, the program would likely have to be suspended for about two more years.

Since no new revenue would be generated from registering fees during this period, the program's contingent liability will be no different from the first option; that is, increasing the aggregate limit to $3 billion, along with an increase in the registration fee of 0.25 per cent. Should the status quo be allowed to continue, long term program liabilities will likely be kept at today's estimate of $16 billion.

FIMCLA is supported by farmers and their organizations, especially the Canadian Federation of Agriculture, as well as the lenders. I believe it would be a mistake to allow it to be suspended. The program has been an inexpensive way for the government to support the agri–food sector. The net loss rate over 25 years has only been about 1 per cent. Increasing the FIMCLA cap allows for this low cost support to continue.

In conclusion, I ask the House to support Bill C–75 by increasing the aggregate principal amount of loans that can be guaranteed. The program can continue to be offered to farmers and farmer owned marketing cooperatives.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, it gives me pleasure today to address this very important bill, Bill C–75, an act to amend the Farm Improvement Marketing Co–operatives Loan Act. This act facilitates credit on farm improvements for processing and distribution and marketing of farm products. I am sure we can all agree the bill is very important to the agricultural sector.

• (1600)

The program has been quite a success, giving many farms and marketing co–operatives a hand in improving or starting new operations. In the year 1994–95, FIMCLA, as the program is called, was used to facilitate more than 17,000 loans totalling some $475 million. The average loan size in 1994–95 was $27,000 and the five–year average is $22,000.

It has been very advantageous to the agricultural group in Souris—Moose Mountain. My riding is concerned about the impact of recent GATT agreements and the World Trade Organization on the day to day lives and operations of our farmers.

It is very important to take a look at some of the restrictions farmers in our area may face now that we have to make our grain forwarding and other export practices acceptable to world markets. To improve our opportunities we have to turn to value added products.

I will tell the House about a group of people in my riding who have embraced this idea. A group of six farm families in Souris—Moose Mountain have formed a co–operative to begin a joint venture with a Holland firm to establish a nucleus hog breeding farm in Saskatchewan. It will be the first entry of continental European hogs into Canada in 37 years.

With the assistance of the loan through FIMCLA the co–operative farm has been formed. The joint venture is positioned to address the new opportunities brought about by the World Trade

Organization. The venture pioneers the process of the co–operative approach to improving the hog industry in Saskatchewan.

Farm members will be provided with superior animals that will increase the productive capacity of their existing operations and improve the profitability of their hog operations. The co–operative will be the first to introduce the Dalland hog to North America. As well it will be the first artificial insemination facility for hog semen in western Canada.

The co–operative will create spinoff employment and stabilize the incomes of farm members. Those in the Kipling area appreciated the opportunity to become partners with the agricultural sector in making sure the program moved forward.

For example, the distribution of semen and the marketing of breeding animals require transportation. The needs of transportation will enhance the use of one farm member's existing trucking equipment, creating additional returns for him. The co–operative will require production, management and clerical personnel that will be supplied by farm families to enhance their farm incomes and to improve individual farm returns.

The co–operative will be more than a primary producer of farm products. As a group they will market a product of high value to the benefit of their members. Their natural geographic advantage and lower cost of production make their product competitive in the North American market. This venture pioneers an innovative process of efficiently distributing new genetics to the North American hog industry and is very important to my riding.

None of this would have been possible if FIMCLA had not been there to guarantee the loans to meet their needs and to meet their new ideas, the new and better ways of doing things. With due diligence and proper assessment techniques, FIMCLA guarantees do not have to carry a high amount of risk. The past record shows that. Over the last 25 years net losses under the act have approximated 1 per cent of total loans guaranteed. In the terrible years during the 1980s when interest rates were high, low farm income and land devaluation caused more defaults than usual. The program is an excellent one. This is why the current legislation is required. It is a safe and inexpensive way for the government to help farmers help themselves in changing times.

• (1605)

As I drive around my riding talking with people I realize these sincere, bright, hard working individuals have hundreds of good ideas. Given a start, they could go far on their own. We need only to open the door for them.

Furthermore, the amendment includes measures to offset the natural extra expenses that would come with an increase in the cap. The amount of offsetting needed is small. For example, an increase of only one–quarter of 1 per cent in the registration fee would sufficiently offset the extra costs and maintain the current level of liability for at least five years. For an average loan of $27,000 it would be $64.

By not proceeding with the suggested amendment, lenders would have to stop and discontinue programs once the cap reached $1.5 billion. It would be irresponsible. Can we imagine saying no to the co–operatives in Saskatchewan I just mentioned? Can we imagine telling them that we understand the project will stabilize income, create employment and enhance Canada's exports but that some arbitrary cap says they cannot continue?

That we must increase the cap is positive. It means the program is doing well. More people are finding out about its successes and are deciding to use it. It makes possible what once seemed impossible for them.

With sustained lower interest rates and the improved farm debt situation approximately 600 new designated lenders and better marketing of the program have contributed to the success of FIMCLA. In simple terms, the aggregate limit can be increased at little or no cost to government and should satisfy program demand for the next 10 years.

This positive measure is supported by the agri–food sector and commercial lenders alike. The program has become increasingly important to rural lenders such as credit unions that offer credit to farm producers. The Canadian Bankers Association and Credit Union Central in Saskatchewan support the proposed increase. The Canadian Federation of Agriculture and other major farm groups have been consulted and support the proposed amendment. It is inexpensive and supports the agri–food sector.

Taxpayers are well served. Improvements made under the program contribute to the strength of Canada's economy and decrease dependency on government subsidies.

I ask members to support Bill C–75. By increasing the aggregate principal amount of loans that can be guaranteed, the program will continue to be offered to farmers and co–operatives and will make a difference.

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, I have a couple of comments for the hon. member for Souris—Moose Mountain. We are seeing a classic case of the government trying to close the door after the horse has escaped. I get back to what I said a few moments ago. I would like the member to comment on my idea.

Why could the government not support the idea of consolidating the three or four federal programs to offer lending assistance to the agricultural industry?

It is well known that the Farm Credit Corporation exists. Why do we not remove the other two bureaucracies, the Small

Businesses Loans Act and the Farm Improvement Loans Act, and put them under the umbrella of the Farm Credit Corporation?

• (1610)

It would seem a government guarantee to other lending institutions is a conflict in one way because we would be in direct competition with the Farm Credit Corporation. What does the member think about the idea of consolidation and removal of duplication?

Mr. Collins: Mr. Speaker, with regard to the questions posed and with regard to FIMCLA we must remember the bill would increase the cap from $1.5 billion to $3 billion. We have to maintain that and keep it as the essence of the drive.

We have to review all government agencies, farm credit and the entire agricultural scene. With that in mind, I am sure the agriculture minister is looking at all available options.

However, in relation to Bill C–75, I would not want us to delay very important action on behalf of the agricultural community.

Mr. Kerpan: Mr. Speaker, I would just like to clarify for my hon. colleague that my criticism is not against increasing the limit to $3 billion. I understand the need and necessity for it. My only concern was that we were using band–aid measures and we could do far more to improve the situation if we opened it up and looked at the whole picture.

Mr. Collins: Mr. Speaker, I listened rather intently to the hon. member. In his speech he expressed some concern about the capping provision. It is very important.

Since the member has an agricultural background, I take very seriously his thoughts about the whole business of our running government, certainly in the agricultural sector.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, I rise today to speak on Bill C–75, an act to amend the Farm Improvement and Marketing Cooperatives Loans Act.

I believe I am going to please the government by saying that its plan to increase loan guarantees to $3 billion is an excellent one. However, if it thinks the criticisms will be coming after the compliments, it is quite right. Let us first turn to the positive aspects. In fact, the change is only raising the guarantee ceiling for loans made by financial institutions, to keep up with the demand.

According to data provided by the Department of Agriculture and Agrifood, the programm is very efficient since its cost is very low. It costs $1.5 million a year, which reflects losses due to loan default. We are talking about 1 per cent of guaranteed loans as a whole. This means that with a $3 billion ceiling, the annual cost should rise to $3 millions, which is quite acceptable.

We are not against logic. According to data also obtained from Agriculture and Agrifood Canada, in 1994–1995, more than 17 000 loans were made under the Farm Improvement and Marketing Cooperatives Loans Act, for a total of $475 million. The total value of guaranteed loans is getting close to the $1.5 billion limit.

The demand and the service provided fully justify the increase in the guarantee limit. We are not against this measure, which allows farms to have access to development funds without the government having to give grants, which come right out of taxpayers' pockets.

However, a dose of constructive criticism will be good for this government which does not realize, or chooses to ignore, that overlap costs money to the taxpayers, who are already overtaxed, and that it could be avoided.

• (1615)

In fact, this measure perpetuates the overlaps between the federal government department, the Farm Credit Association and Quebec. Through the Société du financement agricole, Quebec provides the same services as its federal counterpart. Yes, more overlap. In one ear and out the other. The population got the message, and most importantly, understood it. Overlap.

And regarding the case that we are discussing today, we should specify that there is an overlap not only in activities, but also in the way things are done. Loan guarantees have their place, but they increase the debt load of businesses. Everybody recognizes the importance of evaluating a business's potential and its market before offering more loans. Too heavy a debt load makes a business unable to compete. That is why we maintain that Quebec is in the best position to identify which sectors of its economy are experiencing growth and to establish policies regarding access to credit.

Obviously, these policies are geared to the development strategies elaborated in collaboration with the sector. In its latest annual report, the Société du financement agricole du Québec points out that it creates and develops new programs in collaboration with representatives of the financial and farming sectors. Quebec has established a tradition of consultation on farming issues with the États généraux du monde rural in 1991; the consultation committees which were formed during the Trois–Rivières Summit in 1992 following the consensus reached on the priorities for the agri–food sector's development in Quebec; and lastly, the Trois–Rivières Summit itself.

Quebec has the expertise required to take the program under its wing, of course, with the corresponding transfer of funding. The federal government would save a department desperately in need of saving a great amount of money. Was the Department of

Agriculture and Agri–food not one of the hardest hit by the last round of budget cuts?

Agriculture and Agri–Food Canada is one of those hardest hit by downsizing. It does not make sense to maintain duplication and make cuts in areas where duplication does not exist. Inspection services will now charge a fee, although we have three overlapping inspection services. Where does the money come from to pay for these services? From the private sector, which ends up paying the price of duplication.

The minister must be aware of the fact that officials who helped draft this legislation on farm improvement and marketing co–operatives loans admitted it was competing with equivalent programs in Quebec. For the benefit of those who may not be that familiar with the Société de financement agricole, I would like to comment briefly on its farm loan operations.

This is taken from the agency's latest annual report. The Société de financement agricole authorizes and guarantees loans and credit openings. Farmers can obtain guaranteed loans up to a maximum of $800,000, while the maximum for loans at reduced rates is $200,000. The interest rate for guaranteed loans is based on the residential mortgage rate offered by financial institutions. Farmers now have the option of selecting a one–year, three–year or five–year term, at a rate locked in for the duration of the term selected.

During the 1993–94 financial year, the Société de financement agricole granted 4,682 farm loans totalling $353.3 million, which represents an increase of 12 per cent in the number of loans and 39 per cent in the total amount. Out of the total number of loans, 3,305 representing $279.6 million were granted at the reduced rates provided under the financing program.

• (1620)

Furthermore, the Société de financement agricole authorized the transfer of existing loans, representing another $39.5 million. The total amount of loans and transfers was $392.8 million.

In other words, Quebec already offers these services. It is in a better position to understand what is involved, thanks to a consultation model unique in North America. Agricultural partners in Quebec have given a lot of thought to sustainable regional development.

The Société de financement agricole is closer to the farmers and to the markets. It is in a better position to develop a consistent credit policy based on economic development strategies identified by the parties concerned. If Agriculture and Agri–Food Canada lets the Société administer the loan guarantees to which Quebec is entitled, duplication will no longer be an issue.

Bill C–75 may be worthwhile to farmers in the rest of Canada, but I have some reservations about the impact of this program in Quebec. Is the Canadian government going to say yes to a farmer whose loan request has just been turned down by the Société de financement agricole? If a project review was done by experts, is the federal government going to do another one? We are still stuck in the murky waters of federal duplication, lack of efficiency and interference.

Furthermore, Quebec already faces duplication through the presence of the Farm Credit Corporation, which reports to Parliament through the Minister of Agriculture. In Quebec, we have shown that the Société de financement agricole is capable of managing the loan guarantee program. The rest of Canada could benefit from the expertise of the Farm Credit Corporation, which is the largest long term lender in Canada. A document provided by the FCC itself indicates that it has the human resources and expertise required for agricultural financing.

In addition to providing traditional loans, the FCC can now finance diversification projects on the farm or value added agricultural businesses off the farm. In addition, the FCC can now administer programs and services jointly with federal agencies, provincial governments and other lenders.

Our colleagues opposite will again tell us there is no duplication. Officials have said that Agriculture and Agri–Food Canada's program was not duplicating the activities of the Farm Credit Corporation, since it did not offer the same program. We are always hearing these arguments. Once and for all, will this government not understand that these arguments do not hold water? Let us look at the thing objectively. Since the industry seems to consider the program valid, why does the Farm Credit Corporation not use its own resources to provide it?

The FCC has the capability, with a staff of over 760 people working out of six regional offices and 101 district and rural offices. The FCC loans portfolio includes some 55,000 accounts valued at $3.3 billion.

It is therefore biased, dishonest and wrong to say that there is no overlap between the activities of Agriculture and Agri–Food Canada and the Farm Credit Corporation. It has, I repeat, all it needs to offer the program elsewhere than in Quebec, where the Société de financement agricole can do the job.

The federal government talks of single window here and single window there. However, when it comes to making it operational, it is another story.

Here is the situation. The government takes a perfectly logical step.

Under the terms of the act, once the $1.5 billion limit is reached, the government is no longer obliged to guarantee loans granted by lenders. This obviously prevents new loans from being accepted under the Farm Improvement and Marketing Cooperatives Loans Act.

• (1625)

So we agree that it is necessary to amend the legislation to raise the limit of the five year loans to three billion dollars. We agree on the benefits of such a measure: it will make credit readily available to farmers and marketing cooperatives, for a wide range of farm improvement projects.

Furthermore, borrowers will get good interest rates and requirements concerning their equity will be lowered. The program encourages investments in new kinds of machinery, new technologies and different agricultural ventures, as we see more and more in my riding where there is an ostrich farm, for example. On those points we agree with the government. But the idea loses much of its appeal because this government is unable to tap into existing and competent resources to manage the program.

We have shown repeatedly, and not only today, that Quebec is in a better position to identify growth sectors in its economy and to implement credit access policies reflecting the development strategies established in co–operation with the community. Yet, with the Farm Improvement and Marketing Cooperatives Loans Act, the federal government competes with comparable Quebec programs.

In Quebec, the Société du financement agricole has all the necessary expertise to manage the program. Elsewhere in Canada, wherever the Farm Credit Corporation has offices, there are also adequate resources for that program to be offered. So we are once again in the vicious circle of overlap and duplication where there is no logic.

In spite of a drastic downsizing of the public service, the federal government is not restructuring its activities efficiently. There is still some useless overlapping within its administration. Today, we gave yet another example of that. The public will have to bear the consequences. So we say stop, enough is enough.

[*English*]

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I am happy to speak in favour of amendments to the Farm Improvement and Marketing Co–Operatives Loans Act.

As has been stated previously, we are seeking to amend the act in order to increase the aggregate principal amount of loans allowed under the act from $1.5 to $3 billion. The program has proved very popular with farmers. In fact, I have had considerable experience with the use of the farm loans act in my own farm operation.

Consequently, as a result of this demand the present five year $1.5 billion cap has almost been reached. The Farm Improvement and Marketing Co–Operatives Loans Act is one of the best accepted programs in existence by the farm community. As is seen, it is used substantially.

FIMCLA is a loan guarantee program designed to increase the availability of credit on reasonable terms to farmers and farmer owned marketing co–operatives. It allows investments in new technology and equipment and covers a wide range of farm improvement projects.

I would throw a note of caution that we have to be careful here and not just make guarantees for the banks. There is a commitment by the lending community here and there has to be a commitment to the farm community as well. We do not want to see the situation where the banks just use this program when they really do not need to use it to have a guarantee on the funds they are lending out. The objective then must be to put more capital into the system to assist farmers who otherwise might have difficulty in acquiring loans to get them from the lending community.

• (1630)

The improvements the moneys can be used for include the purchase of farm machinery, clearing land, installing irrigation or drainage systems, fences, construction or renovation of farm buildings and the purchase of livestock or farmland. The loans can also be used by co–operative associations for investing in value added production. This could include facilities for processing, distributing or marketing farm products such as washing or packaging plants. We have had a considerable amount of that kind of operation in my riding in terms of the potato industry.

As well the loans can be used for alternate farming enterprises such as organic production. That is an extremely important point. Here is a production base that I think has a tremendous and an increasing potential. There is very definitely a niche market in terms of organic products and it will be increasingly so in the future.

Sometimes it is very difficult for people in the organic production industry to get loans in the normal course of events. Extending the amount of money under the act should make it possible for those people in the organic production industry to acquire the necessary funds to meet their needs.

It is important to note that the environmental impacts of the projects are considered. Environmental impact assessments are commonly used on the larger projects.

Through the program, farmers get better interest rates than those normally available, usually .5 to 1 per cent below the prevailing rate. They are also allowed to borrow with a minimum equity of 20 per cent. This is extremely important especially to younger farmers getting into the industry or some of the higher risk farming operations.

The act also facilitates access to credit in rural areas, putting investment power into the hands of producers and marketing co–operatives. It strengthens production and financial stability in rural Canada.

FIMCLA supports adaptation and diversification. It encourages rural development and sparks job creation. The program has become increasingly important to rural lenders such as credit unions and Caisses populaires that offer credit to farm producers. The Canadian Bankers Association, the Credit Union Central in Saskatchewan and la Confédération des caisses populaires Desjardins all support the proposed increase. The Canadian Federation of Agriculture and other major groups have also been consulted and support the proposed amendment.

The program has been an inexpensive way for the government to support primary producers and the downstream industries. Historically the net loss in terms of lending under this program has only been 1 per cent. Any extra costs incurred under the new act will be offset by an increase in the registration fee paid by the producers and marketing co–operatives that benefit from the program. Taxpayers are very well served. Improvements made under the program contribute to the strength of Canada's economy and decrease dependency on government subsidies.

In conclusion, I ask members to support Bill C–75 by increasing the aggregate principal amount of loans which can be guaranteed. The program will continue to be offered to farmers and farmer owned marketing co–operatives. In so doing, we will be supporting one of the major wealth producing industries in this country. We will be ensuring that primary producers, where all the wealth generates from in terms of the farm production base, have the availability of capital under reasonable terms so that they can be the kind of wealth generating industry which so many other industries spin their wealth from.

• (1635)

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, I rise today to speak in support of Bill C–75, an act to amend the Farm Improvement and Marketing Co–Operatives Loans Act.

I would like to begin by commenting on the importance of affordable financing for the agriculture community. I remember one of my first encounters with the banks and how without the farm improvement loan I would have been at the mercy of the fickle finger of finance. It is quite possible that without the loans act not only I but many farmers would not have been able to farm quite the same way we do today. I would like to expand on that.

In 1973 I came back from Stelco and began farming. At that time I took out a farm improve loan in the amount of $5,400 for a 165 Massey–Ferguson tractor and a four–furrow plough. I know the member for Malpeque wishes there were farm deals like that today but there are not. In our farming operations today we market 360,000 chickens a year, over one million pounds of meat. I still have that 165 Massey–Ferguson tractor. It is something that brings this home to me.

An hon. member: What would it be worth today?

Mr. Calder: I think it is worth about $7,000 or $8,000. I could make some money on it if I sold it but it is a very proud possession of mine.

The program is designed to increase the availability of credit to farmers and farmer owned co–operatives at a reasonable interest rate to improve farm assets and strengthen production and financial stability.

This act was amended in 1987 by increasing the maximum amount of outstanding loans for borrowers from $100,000 to $250,000. It introduced fixed rate loans and loan consolidation and refinancing. It expanded the scope of the act to allow for loan guarantees up to $3 million to farmer owned marketing co–operatives and for value added marketing, processing or distribution projects. It introduced a registration fee of one–half of 1 per cent of the loan amount.

Since February 1988 when the above noted amendments came into effect more than 65,000 loans representing more than $1.5 billion have been made under the act. Since 1990 over 55,000 loans have been made to utilize the act. There are currently 10 active value added co–operative loans totalling $14.2 million. Personally, I believe that value added marketing is the wave of the future. We will see this area grow significantly in the years ahead.

Last year, this act was used to facilitate more than 18,000 loans totalling more than $475 million. The average loan size for 1994–95 was $27,000 and the five year average is $22,000.

Over the last 25 years, net losses under the act have approximated 1 per cent of the total loan guarantees. There are currently two one time fees paid by the borrower. The first is the loan registration fee which is forwarded to Agriculture and Agri–Food Canada of one–half of 1 per cent of the loan amount. The second is an administration fee which is paid to the lender, the lesser of one–half of 1 per cent or $250 on loans less than $250,000, or one–tenth of 1 per cent on loans of $250,000 or more.

The maximum rates of interest which can be charged by lenders are prime plus 1 per cent on a floating rate basis and prime plus 1 per cent plus one–quarter of 1 per cent for each year of a term loan. For example, that would be prime plus two and one–quarter per cent for a five year term loan. For a loan of $27,000 the cost would be approximately an extra $67. Approximately 683 rural lenders, such as credit unions, have been newly designated as lenders under the act since 1991.

• (1640)

Under the existing act, once the five year $1.5 billion loan guarantee limit is reached, the federal government would no longer be in a position to guarantee loans made by the lenders.

This would make any further new loans under the act impossible. Therefore, it is essential to have an amendment to the act which will increase the five year loan limit to $3 billion.

Having shared with members how I view the importance of this program, I do not believe the major banks have shared my opinion. I do not believe the banks have made sufficient progress in improving access to capital for the agriculture community. In fact, it has been suggested that the banks discourage the use of this loan act in favour of loans which would bring the banks larger profits.

More must be done to address the credit needs of agriculture. It is imperative. Just as the banks have been slow to finance small business, the same holds true for agricultural co–operatives. The banks have acknowledged though that they can do a better job of lending to agriculture and have taken a number of steps to improve this situation. However, we continue to receive the message from the agriculture community that more needs to be done.

As a member of the federal Ontario Liberal task force on access to capital to small business, I heard a litany of anecdotal evidence indicating the banks' indifference to small business. As a farmer, I was quite aware that many of the concerns of small business were the same for agriculture.

While it is difficult to document the validity of each individual claim, the volume of complaints certainly depicts an uneasy relationship with the banking institutions. I hope that situation will be improved now that we have the banks' attention with the levying of the temporary capital tax on large deposit–taking institutions in the finance minister's 1995 budget.

The government will be working with the banks to develop appropriate benchmarks for small business. I would define small business as including agriculture. We promised in the red book that we would take steps to increase capital availability in rural areas. We are keeping that promise with the passage of Bill C–75.

I encourage all members of the House to indicate their support of the agriculture community by supporting this bill.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, would my hon. friend from Ontario outline for me some of the impacts he can see in his area with regard to FIMCLA being increased from $1.5 million to $3 million? Are there different agricultural groups that would be able to utilize that funding? How would the cap feature impact on those groups at this time?

Mr. Calder: Mr. Speaker, about three or four weeks ago I was up in the Collingwood area and I had a chance to tour an apple packing factory. It was busting at the seams. Business was really good. It has been very innovative. It is squeezing apples for apple juice. It has come up with a couple of combination ideas using carrots for carrot juice. It was actually getting to the point where it was exporting. However, it was busting at the seams and needed capital to expand.

I would say to the hon. member that this is exactly what he is talking about. This apple factory is at the three year period and has to expand its business. It needs new machinery and needs to expand the building. There will be more jobs created from this.

I hope that has answered the hon. member's question.

• (1645)

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to, bill read the second time and referred to a committee.)

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Ottawa West—the Public Service.

* * *

INCOME TAX ACT

Hon. Alfonso Gagliano (for the Minister of Finance, Lib.) moved that Bill C–70, an act to amend the Income Tax Act, the income tax application rules and related acts, be read the second time and referred to a committee.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, it gives me great pleasure to take the opportunity to present Bill C–70 to the House for second reading. It is an item arising out of the budget presented in February 1994.

I will explain the process we go through with a major piece of legislation such as this one. Immediately after the minister presents the budget we have a debate on it and it is voted upon. Subsequently we introduce the budget measures act which incorporates many of the activities of different departments. It was begun last year and took up the time of the House of Commons in May and early June and of the Senate in June. It was finished before July 1.

Subsequently in the public perception we began to deal with the budget for 1995 but we had not finished the work arising from the 1994 budget. Today we are continuing the work from last year's budget.

Last fall we found out about the changes to the Income Tax Act, which is the second part of the work done in a budget. At first we have changes to departmental activities, including for example the Unemployment Insurance Act. Then we have changes to the Income Tax Act. Previously the House considered amendments to the Income Tax Act arising out of the business of the budget of last year. They were reviewed in the House of Commons last November and were reviewed in committee in December. A few witnesses appeared. We considered some of the changes offered by the opposition and decided to go ahead with the bill as it stood. It was then presented to the House, went through the Senate, and is now law.

Because of the enormous number of changes made, we split the amendments to the Income Tax Act into two different sections. This is the second section. Bill C–70 represents the second set of amendments to the budget arising out of the February 1994 budget statement.

They are a number of technical amendments which affect the income tax situation of those in the business world and corporations. In summary, the amendments implement certain measures announced in the budget of February 22, 1994 as well as other measures announced by the government in 1994.

The measures are described, first, as debt forgiveness. It requires a debtor whose indebtedness is forgiven to apply the unpaid amount to reduce any tax losses and the tax cost of properties owned by the debtor. Any unapplied balance is brought into the income by individual debtors whose incomes exceed $40,000 and by corporate debtors that are not bankrupt or insolvent.

Second, we are changing some of the rules by which we treat foreign affiliates. We expand the categories of income of foreign affiliates which must be reported as income of their Canadian shareholders.

• (1650)

It responds to a widely held view by Canadians. It was a perspective that we certainly heard about in the late eighties and early nineties when we were in opposition. Canadians saw the corporate world was able to transfer moneys to foreign affiliates and to avoid taxation in certain regimes which they considered to be too high. We took a very progressive step in our first budget, the budget of February 1994, to expand the rules and ways in which we were able to deal with foreign affiliates.

Third, we now require financial institutions to report profits and losses on securities held in the ordinary course of business, on income rather than capital on a market to market basis.

I was very much involved with the initial discussions that were held with industry when we announced the rules. I am very happy to say the relationship between the financial institutions and the government have greatly improved through numerous discussions.

The industry felt at first that the tax measures were too aggressive and did not take into account some historical developments, particularly in the insurance industry. We argued very strenuously that the insurance industry should be understood. We held discussions not only in Ottawa but across the country. We listened to representatives of their associations and met with senior officials of individual companies. They pointed out that if we did not proceed with some care our evaluation of their securities and our treatment of their securities no longer being on the capital side but on the income side would greatly hurt their business.

The insurance industry is very important to the country. There are more than 140 active insurance companies. We want to make sure we stabilize the companies and do not do anything negative to affect either their capital base or their income base.

After several weeks of discussions amendments were suggested back and forth. I think all parties will agree that the rules as finally presented to the House a few weeks ago and now being expanded upon at second reading are fair to everyone.

We must remember the purpose of the Government of Canada is to ensure that every corporate sector is taxed properly and pays its fair share. That is the demand of all Canadians. The insurance industry has responded admirably. It is more than willing to pay its fair share and now feels the rules and regulations we are developing are more appropriate to its business activities.

I take this opportunity to publicly thank members of the insurance industry who have taken many hours to explain to me the nature of their business. Last year was my first year in the finance field on behalf of the Government of Canada. When that is the case we need a lot of kindness from people in the private sector to explain how they operate and the way new regulations or new tax regimes negatively affect their businesses. There was no element of hostility. I very much respect their willingness to spend time with me to ensure I understood their case.

Fourth, in terms of funeral arrangements we are providing an exemption for interest earned on prepaid amounts under eligible arrangements entered into by individuals to cover their funeral and cemetery expenses. This is a combination of federal and provincial laws, rules and regulations that govern people who make such arrangements ahead of time.

Through trust arrangements at the provincial level those funds are protected but because of the high cost of property, particularly in major metropolitan areas, we found that the limits originally being considered were not sufficient. The change is to accommodate the reality of how people are purchasing plots in cemeteries. We do not feel we are suffering in any way, shape or form an unnecessary financial burden. We are

dealing with the reality of the high cost of property. We did not want to put Canadian taxpayers, the industry or the non–profit sector in the field at risk through unfair tax rules. These amendments address the issue.

• (1655)

Fifth, we are permitting publicly traded real estate investment trusts to qualify as mutual fund trusts for tax purposes.

Sixth, we are dealing with mutual fund reorganizations. It will allow a mutual fund corporation to convert into a mutual fund trust on a tax free basis and will allow tax free mergers of mutual fund trusts.

Members of the House will know that the mutual fund business is one of the fastest expanding businesses in North America. Every effort has been made at the regulatory level to keep in touch with the industry and keep up to date with its changes.

We have sought through the Income Tax Act several other initiatives in the securities industry to ensure the tax regime is fair to people in the mutual fund area and is current with established practices. As time goes on, if the industry continues to change as fast as it has, we will have to make future changes.

Seventh, we are dealing with objections and appeals. This requires large corporations to specify in notices of objection to income tax assessments the issues under dispute and the amount of relief sought.

The House may be familiar with the past practice of legal departments and taxation departments of corporations sending notices of appeal to Revenue Canada on a regular basis, indicating that they have an objection to the taxes being assigned by Revenue Canada. By making a general objection as they have in the past they have been able to wait for specific tax cases to come forward. Once the tax cases are registered they are able to re–examine their books to see if they apply. In theory that has caused the Government of Canada to have a great deal of liability each year in the corporate tax sector.

We are seeking to limit the liability in the future within a specified time that we think will give the corporation a lot of time to review its tax assessment. The notice of appeal should specify exactly what is being appealed. It is no longer suitable to have a general appeal against the tax assessment. The corporation must specify exactly what it is objecting to and proceeding with, if necessary, through legal action. That will give Revenue Canada and the Government of Canada an opportunity to proceed without having to worry about innumerable court cases in the future.

The eighth section deals with securities lending. This will permit investment dealers to deduct two–thirds of dividend compensation payments made in securities lending arrangements.

The bill has a fairly broad range of measures. It complements the original budget speech, the budget bill introduced last year and the changes to the Income Tax Act dealt with in the fall of 1994 that were finished in the spring of 1995. The bill introduces specific measures that are very compact including funeral arrangements. It establishes the principles of fairness long talked about by governments but rarely acted upon.

The objections and appeals, the opportunities to challenge tax rulings and deal with the tax payable by foreign affiliates, are fair measures. The Minister of Finance has done an excellent job. He stated quite often that the government would not let up on bringing more fairness to the tax system. Those measures will be benchmarks of the new fairness in the Income Tax Act dealing both with corporations and individuals.

• (1700)

When we have made major changes affecting an industry such as the insurance industry we have proceeded not only with a determination to make things fairer for the whole sector but we have been responsive to criticisms and to critiques. We have been willing to talk with these people and to talk to the executives of the different companies and to the associations and to respond when a point is well made.

To have good tax law we have to be determined to be fair but we also cannot be stubborn and in the face of obvious mistakes hold to a position which puts companies at a disadvantage. I have learned a lot about the insurance industry as a result of these measures and I am hopeful we will continue to have these discussions in other spheres.

The government welcomes the opportunity to open up this debate, to have second reading on Bill C–70, amendments to the Income Tax Act. We welcome comments from the opposition and its critique on what we are trying to do and its suggestions on how we can make the Income Tax Act fairer in the future.

We also welcome the opportunity to hear from witnesses in committee both in the House of Commons and later in the Senate so that the views of professionals in the field can be heard, taken seriously and government can continue to refine the Income Tax Act to be fairer and more just to more Canadians and as we proceed over the years to make further amendments to ensure every Canadian is paying his or her or corporate fair share and at the same time finds the system just in the way they are treated and in the way other people are being treated.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I thank the government for giving us this opportunity, through Bill C–70, to speak not only on particular provisions of the bill, which enacts certain measures put forward in last year's

budget by the finance minister, but also to raise the whole issue of reviewing Canada's tax system.

I can tell you right off the bat that the official opposition will not support Bill C–70 at second reading stage, not because of any specific measure, but because of the lack of significant action on the part of the government regarding tax loopholes and the review of the tax system the Bloc Quebecois has been requesting since the Liberals came to power, nearly 15 months ago.

A little while ago, I listened to the secretary of state talk about an in–depth review of the tax system, of the openness of this government regarding the inequity and unfairness of the Canadian tax policy. Pretending to be concerned with equity and social justice, this government has done nothing to plug tax loopholes since it came to power.

All this is contrary to what the red book said. The government no longer refers to the red book, which was waved at us month after month, because it is ashamed. It can no longer establish any parallel between its election promises and its action in the area of taxation. In fact, the red book contained many Liberal policy statements on tax fairness, pointing out to the fact that in this great country which prides itself on being fair from coast to coast, as the Prime Minister likes to say, there are totally unfair situations.

As a matter of fact, the red book mentioned a few. It said that some corporations had not paid a cent in income tax for years because of the previous government's laxness and the fact that it supposedly had many friends among big business, which was not the case of the Liberal Party. The Liberal Party, too, had criticized the fact that, since 1984, personal income tax had increased much more rapidly than corporate income tax. If I remember rightly, according to what the Prime Minister said at that time, it wanted to correct all the unfairness and injustice in the tax system in the first two years of its mandate.

Since they have been in office, the Liberals have not fulfilled their undertakings. They have not fulfilled the promises they made during the campaign in order to get elected.

• (1705)

Let me give you some examples of unfairness in the tax system. Let us take, for instance, the family trusts. It is not for nothing that, for the past 15 months, since our arrival here, we have been saying, over and over again, that the tax rules for family trusts are unfair to all the taxpayers in Quebec and Canada. It is no coincidence if we have been pestering the government about every second day since 1993 about family trusts. It is because this tax system is truly unfair to Canadians, from whom the government asks more and more sacrifices because its finances are in a sorry mess, while at the same time the richest Canadian families are allowed to accumulate capital gains year after year without paying any income tax for up to 80 years.

Even the tax experts are divided on that issue. Some work for the very rich Canadian families, others take a view more compatible with the interest of the general public. Some of these, for the last two to three years and even since the review, four and a half years ago, of family trusts and the 21–year rule, have sharply criticized the perpetuation of such a measure and the possibility to defer income tax on capital gains for up to 80 years.

As the official opposition, we have made this issue one of our favourite themes, especially since we obtained sketchy information from the private sector and some Canadian universities that lead us to believe that hundreds of millions and even billions of dollars could be recovered by abolishing certain privileges linked to family trusts. We know that those trusts have become a major means of tax planning for the wealthiest Canadian families, individuals and companies.

We are not talking here about the principle of family trusts, which can be a good thing. We are not talking about the principle of family trusts, which may apply, for instance, to families with a handicapped child who will need to be taken care of in the future, even once his parents are dead. We are not against the whole idea, nor the administration of these trusts, but what we have been questioning since we arrived here, and even before, during the election campaign, is the fact that a millionaire can use this system to defer indefinitely taxes on his or her capital gains. We cannot accept that.

What did the Minister of Finance give us in his last budget? He wanted to look good. He said: Since I cannot stand the official opposition complaining about such a blatant case of unfairness and injustice in the tax system, I will mention the words family trust in the budget speech to shut them up in the future. But he forgot that we have ears to listen, eyes to read and brains to analyze.

When he brought forth his measure, saying that he would eliminate fiscal benefits for family trusts in 1999, he took us for something that we were not. He also took Quebecers and Canadians for something that they were not, because he knew very well that, by putting off to 1999 the necessary change only for family trusts, he was warning rich Canadian families four years in advance so that they could get ready and take out the hundreds of millions of dollars, even billions of dollars that they had put into these trusts and transfer them to other financial vehicles, other powerful tools of tax planning. We have not dealt in any way with all the tax loopholes that these rich families and all the big Canadian corporations can benefit from.

Is that how the government sees social justice, and fairness in the tax system from coast to coast? Is this how the government shows its concern? This government has only one concern: to look good. It does not matter what the substance is; the impor-

tant thing is to look good. The last budget, like the previous budget and Bill C–70 before us, shows us this government's propensity for cosmetic changes, for phoney tax reforms that do not change anything.

• (1710)

One should also look at the tax agreements signed with countries considered to be tax havens. We in the opposition refuse to let the government get away with this. We have been hounding the government since the last election campaign so that, ever since the 1994–95 budget, the Minister of Finance tried to silence us, to stop us from denouncing the inequities and tax loopholes in these tax agreements by putting up a smokescreen.

At that time, the *Globe and Mail* called the Minister of Finance, with good reason, the stand–up comic of Canadian tax policy. The minister presented things very dramatically but with such a lack of substance that, a few minutes after he delivered his speech, it was easy to see that nothing had changed with respect to tax agreements. Even the Auditor General of Canada said soon after the budget was tabled that, with the exception of some administrative adjustments allowing businesses to take advantage of tax agreements with countries considered to be tax havens, nothing had changed in the tax system in this regard.

What does this mean, that nothing has changed? It means that, again this year, next year, and in two, three or 10 years from now, the Canadian tax system will still provide for this kind of agreement, which is not a bad thing per se but which makes a big difference when such agreements are signed with countries used to shelter billions in Canadian and U.S. dollars, and tens of billions of dollars in European and Japanese currencies.

You know that such tax treaties enable certain Canadian businesses to open dummy subsidiaries offshore, carry out no business activities offshore, pay no tax or very little abroad, yet claim in Canada losses they did not even incur abroad, just for the sake of reducing their operating results in Canada and avoid paying their fair share to the Canadian tax authorities.

We are not talking about small and medium size businesses, the vast majority of which do their corporate duty and pay their fair share of taxes, but large corporations which can take advantage of loopholes in the Canadian tax system that were plugged neither in last year's budget nor in the finance minister's latest budget and are allowed to remain, although the Liberal government claims to be concerned about fairness in the tax system.

These tax treaties signed with 16 countries considered as tax havens are key to or at least instrumental in the federal government's improved performance in managing the Canadian tax system. Yet, the Minister of Finance continues to maintain that these are good tax treaties, that there is nothing wrong with these treaties and that, in this age of globalization and internationalization of trade, it is natural to sign tax treaties with other countries.

We have always maintained that it is natural to have tax treaties and that, when businesses open subsidiaries offshore and pay taxes abroad roughly equal to what they would have paid in Canada, such treaties should be signed to prevent double taxation and ensure that the production system in which Canadian businesses operate is fiscally equitable, promotes job creation and so on.

However, we are utterly opposed to signing with tax havens treaties which, in the opinion of the Auditor General himself, make no sense whatsoever. The internationalization and globalization arguments do not hold up when, by raising very little if any tax revenue from large corporations taking advantage of such tax loopholes, the fiscal position of Canada is not only threatened but made worse.

The Department of Finance stopped releasing figures because they are too shameful. In 1991, the last year for which such statistics were available—as statisticians would say—the last year before the previous and the current government felt to ashamed of these results, no less than 77,000 Canadian businesses did not pay a cent in tax. But then again, we were told it had to do with the businesses' production cycle. That is understandable.

• (1715)

We can understand that a business may need to develop its products or services over a period of one, two or maybe three years before turning a profit, gaining a share of the market, or preserving a share of the market for a specific product. However, there is a problem when the production cycle lasts for a period of five, seven, ten or twelve years, during which the business does not pay any taxes but registers a profit every year, such as the banks which made profits of $4.8 billion last year while paying hardly any taxes.

When I see that CN makes profits, pays its president a salary of $350,000 per year and grants him an interest–free loan of $400,000 to buy a house in Westmount, while at the same time acting in an inhuman if not barbaric fashion in the rail dispute, I wonder about this government's intentions and its election commitments regarding equity, social justice, the respect of rights, as well as fairness in general. Something is wrong somewhere. Incidentally, CN did not pay taxes either.

There is a problem with taxation and these few measures—although we feel some are valid—are so minor given the scope of the flaws in the Canadian tax system, which has not been reviewed in 35 years, that we simply cannot support and praise the government for such minor initiatives.

Among others, Mr. Séguin, a former Quebec revenue minister, says that, for 30 years now, the only changes to the federal tax system—I am not quoting him directly— were the inclusion of new elements or some minor reforms to that system, and that all this was essentially a top–loading exercise, in the sense that

new measures were added to existing ones, thus turning the Canadian tax system into a monster.

As a new member in the House, particularly as the finance critic, you do your very best to have a thorough grasp of all issues. And in order to do so, during the first months, in order to learn every aspect of the issues, you request a lot of documentation. I challenge you, Mr. Speaker, to try to read all the documents on Canadian fiscal policy. It is quite an ordeal when you consider all the explanatory notes, all the bills, all the related regulations, all the sub–regulations that have been added on. I challenge you to read all that within a ten–year period, and I will congratulate you if you succeed.

In the United States, under Mr. Reagan, they had the same problem. We all remember that one of Mr. Reagan's constant refrains was a reformed and simplified income tax system, even if he was more favourable to businesses than to individuals, but the intention was there. He reformed the American tax system and simplified it at the same time. You can always question the fairness of this process, the propensity to favour corporations and high income earners instead of low and medium income taxpayers, but in the end the tax system was simplified. People can see exactly what the taxation levels are. They can see where the system is unfair.

Here, we have to rely on experts or the members of the official opposition to scrutinize the tax system and tell the Canadian population what it really looks like. To point out to the Canadian people, for example, that 50 years ago, 50 per cent of all tax revenues were paid by individual taxpayers and 50 per cent by corporations. However, corporations nowadays account for around 17 per cent of all tax revenues and individual taxpayers make up the rest. We have to tell the people, because they will not hear about this from government members who tend to hide these things, just like the Liberal Party did during its first mandate.

I remember that it was then that the gap between individual taxpayers and corporations began to come to light.

• (1720)

Friends of the Liberal Party had already been taken care of during the earlier mandate of the Liberal Party of Canada, and it is still going on. Anyone can compare the list of large donors to the chest of the Liberal Party of Canada and the list of tax policies that have not been reformed because they are just what big corporations want.

When we see that the Royal Bank, for example, pours over $45,000 each year into the chest of the Liberal Party of Canada, we understand why in the last budget Canadian banks had nothing but a small income tax increase of $150 million over two years even though they made profits of almost $5 billion. We also understand why they are the main beneficiaries of the computer development programs provided by the federal government. When we see that the large corporations managing family trusts give between $35,000 and $67,000 to the Liberal Party's chest, we understand why they have until 1999 to adjust to the new family trust provisions. I find it—

An hon. member: Incredible.

Mr. Loubier: —yes, incredible, the member takes the words right out of my mouth. I find it incredible that they would have the nerve to present Bill C–70 as a major tax reform, like the secretary of state did a few moments ago. All they are doing is adding a few minor positive elements and a few negative ones, again to make taxation even more complex.

I will tell you that it is a lot easier for this government to make cuts in social programs and to make outrageous cuts in the unemployment insurance fund. The federal government is no longer contributing to the unemployment insurance fund, but it will still take about $7 billion from it over the next three years.

Over the same period, that is from 1994–95 to 1997–98, it will also take from the provinces the money it cannot obtain by closing loopholes in the federal tax system because it wants to protect wealthy party cronys or the large corporations which also happen to be important contributors to the Liberal Party fund. It will cut transfers to the provinces by $12.3 billion. It is offloading onto the provinces the problems created by its mismanagement of federal public finances.

It is passing on to the provinces a possible lowering of our credit rating by the large bonds rating firms because, as Moody's has shown us, the federal government, even though it is represented by many stand–up comics, does not escape a serious analysis of our fiscal situation, of its unwillingness to correct this situation and our tax system in particular and to review all public expenditures item by item, including tax expenditures, as we have been asking since we arrived here.

Moody's has understood that, although this document is some 225 pages long, it is not with these insignificant reforms which make our tax system even more complex that we will regain control over our finances, over our tax system and over the government's present and future revenues.

Moody's has understood one thing, and we can quote that agency. It has understood that this budget contained a lot of weak measures. There were measures that were supposed to allow the Minister of Finance to meet his objective of a deficit representing 3 percent of GDP for 1997–98, or $25 billion, but

after that, there is nothing, just a big blank. We do not know where we are going. Moody's understood that.

Moody's understood that in spite of all the cuts made at the expense of the unemployed, the seniors, the students, and the provinces, there is no way we can turn the situation around with this system. As Moody's put it, they could not see how in the medium term, we could control the deficit, much less the federal government's accumulated debt.

• (1725)

I have a feeling that Moody's can make calculations spread over more than a few months or one year. Moody's estimated, probably just as we did, that in spite of all the sacrifices and in spite of the last budget and the one before, from which Bill C–70 stems, which are purported to be important and major steps on the way to recovery, to a reduction of the impact of the debt on the Canadian economy, in five years, the accumulated federal debt will exceed $750 billion and be closer to $800 billion. Moody's understood that.

People at Moody's have a good appreciation of our situation, and they know how to interpret figures. They know there is no hope in the medium term, and even less in the long term, that this government, with its timid reforms of the Canadian tax system, will ever regain control of our financial situation, restore fairness to the tax system, and make it work smoothly. Moody's made a proper assessment of the Canadian situation despite what the intergovernmental affairs minister said after Moody's report was made public, and despite the answers the Prime Minister gave during question period this afternoon to the effect that Canada would have the highest gross domestic product growth in industrialized countries. Despite all of that, Moody's understood many of the problems in the Canadian economy.

First of all, if Canada has the best economic growth performance of all industrialized countries this year, it is because it was so far behind. Canada was the first to go into a recession that was the direct result of the monetary policy deliberately implemented by the Bank of Canada, a policy that brought us the worst recession in the whole Canadian history. Moody's understood all of that. When a country goes into recession before other countries, a stronger economic recovery is normal, especially the technical recovery that we are supposed to have had for three years. Moody's has understood that such a surge of economic growth is only temporary.

We are glad that the more substantial recovery we have waited for so long has finally begun. We hope that this year, the economic recovery will truly lead to the creation of quality jobs for all Quebecers and Canadians. On the other hand, Moody's praises as we do the economic growth which is unrelated to this government's policies, even if the government claims the contrary at every opportunity.

Economic growth is part of a normal economic cycle where the slowing down and the trough have lasted longer than usual because, I submit to you, of structural adjustment, globalization and of the new international situation, but in fact, this is quite normal considering that we were in the basement and that we are trying to stay on the ground floor over the next year.

Moody's adds, and we agree with this analysis, that as soon as the Canadian economy slows down—not in ten years, but at the end of 1996—partly because of the slowdown of the American economy as early as next year, the effects will be very severe. This is why Moody's indicates that the deficit problem is not under control, much less the debt.

Why? Because if, in one year and a half, Canada falls back into a recession cycle, tax revenues are going to decrease, which means that investor confidence is going to diminish because the federal government's deficit problems could, as soon as 1997–98, be greater and require even more draconian cuts than the ones which have been imposed on us by the Minister of Finance these last two years and which did not solve anything.

This means that foreign investors in particular, and Moody's was speaking to them, will start asking some serious questions about the future of the Canadian federation, the future of this government, if we are still stuck with it in Quebec. They will have serious reservations. Foreign investors will start wondering whether Canadian securities are a safe investment, because when the next recession comes around, with a debt which by 1997 will probably be close to $650 billion, it is really going to hurt, because we will need an increasing amount of money to service the debt. Since Canadian savings are not enough, foreign markets become an indispensable source of financing for the Canadian government, and the interest rates we will have to pay then, as a result of Moody's downgrading our bond rating—I can tell you Quebecers and Canadians are going to feel it.

• (1730)

And what caused all this? The Minister of Finance, instead of indulging in theatrics and looking only at the short term, should have looked beyond the next federal election and beyond the referendum campaign in Quebec. He should have acted responsibly and done more than this superficial patching. He should have proceeded, as we requested, with a genuine review of public spending and the tax system, the tax loopholes he has yet to close after almost two years of Liberal government. That is what caused all this trouble.

It is not a question of what will happen in the short term. The financial community looked at the short term. Everything is fine, but that will not be the case next year and in two years, it will be even worse. Moody's takes a much longer view. I respect

this firm because it had the guts to do this, although it was under political pressure, because as you know, bond rating firms are regularly approached by lobbyists. Lobbyists are not just on Parliament Hill. There are lobbyists on Parliament Hill who go to see these people or the firms go directly to the Minister of Finance. They realize what is going on.

Those who today blithely say that Moody's downgrade will have no short term effect are also irresponsible because of the message they are sending to the government. I am talking about large financial institutions in Quebec and elsewhere in Canada; some are arm–in–arm with the Liberal Party while others have a certain integrity we can respect. However they behave in an irresponsible manner when they say that all is well, that the financial sector anticipated Moody's downgrade and that the federal government was forewarned on February 11 of the impending downgrade but was reassured that the economic growth was there to offset it.

In my opinion, all partisanship and opinions on the constitutional debate aside, saying such things is irresponsible. Some people are irresponsible enough to say that all is well. They are applauding the government even though it has failed to make the structural reforms, the deep structural changes that such a disaster calls for. Two years from now, these same people—I have them on record—these very people will be saying: "Two years ago the federal government should have taken more effective measures, stricter measures to get the public finances in order. It should have reformed the tax system two years ago. We could have avoided this utter tax mess. We would also not be stuck with a recession made twice as bad as a normal recession because investors holding Canadian securities have lost confidence in our system and in the government's ability to manage the public purse". These people in two years are going to say exactly the opposite to what they said last week or even last weekend about the impact of Moody's reduced rating.

I would ask them, if they still have a sense of responsibility, to remind the federal government that it should not take short term holidays. It should set in motion what we have been asking it to set in motion since it took office. It must review everything it does here while awaiting Quebec's decision to leave the system. It is a system we consider to have no future, one that has shown itself to be, in the absence of tax reform alone in the past two years, immovable and, in terms of the constitution, irreformable and inflexible.

Even with respect to tax reform, it is immovable. Perhaps because of the size of the machine and of the task, but it is immovable primarily because the government is defending interests other than those of Canadians and Quebeckers, I believe. The lack of a clear stand in favour of fairness in the tax system, in favour of a complete review of taxation and in favour of the establishment of a parliamentary committee to review the whole matter tells us it is time to "get the heck out", as the current expression has it, and I am talking to Quebeckers here, it is time to get out before choices are made for us.

• (1735)

You only have to look at the history of Argentina or Mexico. People say that countries in Latin America cannot be used for comparison purposes. But it is not true. In the early seventies, Argentina was thought to have a brilliant future, a country rich in resources, just like Brazil. Remember, until the early eighties, we were talking about the Brazilian miracle. Opportunities were endless.

The same went for Mexico. When Pemex was created, enthusiasm ran high. Wealth was assured. The debt problem was not nearly as serious as the one we now face in Canada. And yet, these countries collapsed and the International Monetary Fund imposed on them measures that they should have imposed on themselves, but in a more humane and gradual way, to cause as little hardship as possible to individuals as well as businesses. Radical cuts were imposed on them.

I remember in 1984, before joining GATT, which is now known as the World Trade Organization, Mexico was told to cut its education expenditures by half. All at one, expenditures had to be cut by 50 per cent in education, 30 per cent in health and 45 per cent in rural development—and in Mexico, the rural sector is extremely important, much more so than in Canada. Yet, this is the kind of measures that were imposed on Mexico.

If, according to Moody's in particular, but also many others who, before the budget was tabled, shared Moody's views and those of the Official Opposition, the federal system is presently in shambles, with $548 billion in accumulated debt, just imagine what it is going to be like five years from now, when the debt will reach and possibly exceed $800 billion. This growth, from $548 billion to $800 billion in five years, not counting inflation, will cause a serious problem.

All this to say that we are ashamed of the only reform measure before us and not a very substantial one at that, changing a few minor aspects of the Canadian tax system and a few minor regulations, when what is needed is a comprehensive reform, if Canadians agree to keep this system. But when these changes are said to be urgently required by the Canadian tax system, that is too much.

I will therefore suggest that my colleagues from the Official Opposition vote against Bill C–70 because, in our opinion, in terms of tax loopholes, redressing inequities in the Canadian tax system and the sacrifices big businesses that shirk their fiscal duty as well as some extremely wealthy Canadian families are asked to make, it does not go far enough. We have been calling for much more than that in the past 15 months. We want real reform, we want the red book promises regarding tax reform to

be carried out and true tax justice to be felt in this country before Quebecers leave it.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the previous speaker from the Bloc Quebecois talked about how important it is that we overhaul the whole system and how ashamed he is that we are only tinkering with the system.

It brings to mind some comments I was reading in the paper over the last few days about how the Bloc Quebecois feels it can overhaul the whole system. However, now we find it is retreating. Rather than full blown separatism we now find the premier of Quebec saying he does not think that will to fly, water down the whole message, talk about something a lot less draconian than complete separation. Along with the leader of the Bloc Quebecois he now thinks perhaps some form of economic association would be the way to go. That is exactly what they have at this point.

In reference to the previous speaker's comments that he would like to see a full blown overhaul of the whole tax system, I put it in the same context that perhaps the full blown overhaul of the political system in Quebec and in Canada would not go very far either. Let us hope it would not.

That does mean to say this bill is a wonderful piece of stuff. Bill C–70 was a year old before it was even introduced in the House. This pertains not to the budget introduced six weeks ago but to the budget introduced a year and six weeks ago. It has taken the bureaucracy a whole year to come up with 200 pages of what virtually every Canadian would call unintelligible gobbledegook. It is far beyond the comprehension of most people.

• (1740)

This is how we run our tax system today. Not only has the Income Tax Act become incomprehensible to Canadians, it has become incomprehensible in many ways to accountants. It is incomprehensible in much the same way as the Chief Justice of the Supreme Court was saying last week that the legal system is going to collapse under its own weight because it has become so complex that even lawyers cannot understand it.

The Income Tax Act is going the same way. It has become so complex with additions, deletions, amendments and changes that even accountants cannot figure out what is happening. We then add even greater complexity. Accountants are supposed to be able to figure all this out in anticipation of legislation that is only being introduced now even though the finance minister announced his intentions over a year ago. The income tax people have been assessing tax returns this year based on the contents of this bill. However, it was only tabled on February 16, 1995. People did their tax returns before the legislation was tabled in anticipation of trying to do their tax returns based on information that did not even exist.

How do we expect accounting professionals to do an admirable and efficient job of trying to advise their clients on how to do their tax returns when they are doing it all on the basis of a statement by the Minister of Finance with no legislation to back it up and no real assurance that it will pass? We still have to vote on it. I hope that is not a perfunctory situation.

Parliament holds the public purse. The House gives the executive the authority to raise money. It is raising the money and now it is asking us if it can. What happens if we say no? Perhaps we should say no. I think it is paying lip service to Parliament.

It is an insult to Parliament that the executive can tax Canadians, impose rules, penalties and conditions all on the supposition that it will introduce legislation at some future time. It will then ask Parliament to vote on it and say it has been working on the premise that we were to approve it. What kind of way is that to run a country? Perhaps that is indicative of the kind of mess we are in because, as everybody knows, we are right up to our neck and over our head with a debt of $515 billion.

By the time the government has been in office three years it will have added $100 billion to the debt. By that time it will only have reduced the deficit by $15 billion, from $40 billion to $25 billion.

This policy of gradualism to deal with a crisis in a fiscal situation is not good enough. One hundred billion dollars in interest at 8 per cent is $8 billion more that we will transfer to lenders each year. That means taxes paid by the rank and file Canadians will be transferred to the banks in the United States, Germany and Japan, not back to the taxpayers of Canada. They will not see it.

We are paying the money lenders and they now control the way the country is run. That is a desperate and most unfortunate situation. The Liberal government seems to be totally incapable of grasping the severity of the situation.

Reformers have said get the budget balanced, do not worry about 200 pages of nickels and dimes and changes in the complexity to the Income Tax Act. Let us talk about simplification. Let us talk about getting the budget balanced. We said that it could be done in three years.

The government has a revenue of approximately $120 billion a year. In three years it will have three times $120 billion, which is $360 billion, and during that time it can only find $15 billion to squeak out of there. Is this draconian? Is this really grasping the issue and saying let us get the job done now? I doubt it. I do not think so, and my colleagues agree with me.

• (1745)

It is a shame that parliamentarians in charge of running this country feel that this policy of gradualism is the only way we can address the issue as this great country sinks beneath the

wave of debt. The interest is now the largest cost by far to the government, $50 billion a year.

When the Liberal government was in power 20 years ago and the Prime Minister of the day decided it was time to open the gates and let money be spent, flow like water, would Canadians have voted for them? Would Canadians vote for them today if they realized that $50 billion a year is spent on interest to pay for past excesses and the way previous governments have tried to buy votes with our own money? Now we are spending $1,500 per man, woman, and child just to pay the interest on that debt.

If and when we get the budget balanced, for ever dollar in taxes we are going to collect from Canadians, we will only be able to return 60 cents in services. The rest will go to pay the foreign lenders. That is no value for money. You pay a dollar and you get 60 cents back on your investment. What kind of deal is that? Who goes down to the local store and spends a dollar and expects to get 60 cents in value for the money spent?

They will tell the government that it is out in the next election, because obviously it does not know how to deal with the problem. Remember that the members of the government are the ones who at the last election were parading around the country saying: "Trust us, we are going to get rid of the GST".

Mr. Mills (Broadview—Greenwood): And we will.

Mr. Williams: And they will—well, maybe hell will freeze over first.

They say they are going to get rid of the GST. They said in the red book they are going to get rid of the GST. They have not even talked about it. It has not even been mentioned. When was the last time we heard a member of the Liberal government stand up and say they are going to get rid of the GST? It is one of the little things they hope will go away. They tore that page out of the red book and reduced it by one page. That is one promise they are conveniently forgetting to deliver on.

Canadians are still mightily upset, because they were promised that the GST was going to reduce the debt. Has the deficit gone down? Has the debt gone down since the GST was introduced?

Mr. Grubel: No.

Mr. Williams: No, it has not. Not only has it not been reduced, but the debt continues to rise and we continue to sink under the weight of interest payments that we cannot afford. The government made promises it knows it cannot fulfil, all in the hope that Canadians would vote for them. And they did, misguidedly, unfortunately, because we now find out that the government is not going to live up to the promise of getting rid of the GST.

At least the Reform Party was honest and open when it said we will get rid of the GST once the budget is balanced. Let us get the hard stuff done first.

Mr. Jordan: It is pretty safe for the Reform Party to say that.

Mr. Williams: Let us get the difficult job of balancing the budget done before we give any tax relief. That was the commitment we made. We said we would have tough and difficult times and we are going to have to reduce expenditures. But while we reduce expenditures, which means we will be spending less on Canadians, we did not promise any Canadian they would get tax relief. We thought that was unfair. We did say that there was light at the end of the tunnel. Let us get the job done. If and when the job is done, then we will promise to phase out the GST at that time.

Colleagues from the other side went across the country saying "We will get rid of the GST if you vote for us". Well, Canadians may have voted for them, but Canadians are still waiting. Unfortunately, the bad news is that Canadians are going to have to wait a long time before this government delivers on that promise.

• (1750)

Our credit is going down the drain. Moody's has downgraded our rating. Where is it going to end? We are now paying higher interest rates because our credit has gone down. That means that business has to pay higher interest rates. It means that the government has to pay higher interest rates, and that means that the Canadian taxpayer will have to pay more taxes.

This government cannot manage the affairs of the state. Moody's has downgraded our credit rating and that will have ramifications for years to come. How will we be able to regain our AAA credit rating? How will we be able to stand up as one of the great nations of the world?

Canada has a fabulous bounty of natural resources. We have hydrocarbons, we have prairie wheat fields, we have hydroelectricity, we have forests, we have minerals. It is all gone, because we went to the bank and put it up as collateral to borrow money to buy more votes. Here we are today in one of the greatest countries of the world. We have natural resources in excess. We have opportunities. We are the light for people around the world who can only dream of a country like Canada. There are opportunities for anyone who wants to come to this country and work hard and prosper. That was the great Canadian dream. People could come here with freedom, with hope and with opportunity. And they came by the millions. They populated this country and they built this country, only to see what they had built come down around their ears by the mountain of debt that has been foisted upon them by governments that care less about Canadians than their own self–interests.

The tax system in this 200–page bill has many pages that are incomprehensible to many people. Let me speak to a few of them.

In some ways, while the government has said that it does not want to increase taxation, it is casting the net wider so that it can catch more taxpayers. Even though tax rates are not going up, the government is doing its darnedest to ensure that more people pay taxes. That is the essence of Bill C–70.

The government talks about cleaning up the provisions for debt forgiveness. Debt forgiveness is a situation where a business or an individual runs into serious financial problems. Let us say that someone owns an apartment building and that the value of the building goes down because there are no tenants. The rents cannot meet the mortgage payment and the mortgage company forecloses. He has lost his investment. But the Minister of Finance wants his pound of flesh. That person has suffered a major setback. It could apply to someone who has a rental property of a house, or it could apply to someone who has a business—somebody who has, for one reason or another, had a reversal of his financial fortunes and has had to go to the lender to ask for a forgiveness of the debt because he can no longer afford to pay. And the tax man says "Before you do that, remember that you owe me".

He owes the tax man in a situation where his financial fortunes are going down rather than up. I always thought this was an income tax. I guess not, because the Minister of Finance feels that it is his duty to stick his hand into the pocket of even the businessman whose business has failed.

• (1755)

What about some of the other situations, such as taxation of income from foreign affiliates? I know that there have been situations where business has been found to try to minimize their taxation. However, here we have again an expanding of the circumstances into which income from property—which is a passive income, as opposed to active or business income—of foreign affiliates is not taxable in Canada.

We are trying to cast further and further afield. Now we are casting abroad to ensure that a nickel earned anywhere in this world, not just Canada, does not escape the Minister of Finance and his bureaucrats' fingers, which seem to go all the way around the world to get that last dime of income tax to pay for the debts and the interest and so on, which is killing this country.

Then we have the financial institutions and the securities dealers. We are now going to change the rules for them too and again we are going to cast the net a little bit wider to bring them into the taxation end as well.

We have always believed that a dollar earned is a dollar taxable. We do not disagree with that basic philosophy. But now we are finding that a dollar unearned is a dollar taxable. Those people who deal with investments on a trading basis are now going to have to pay income tax on the income on the basis that the shares had already been sold. But they still have them; they have not sold them. Now they are going to have to pay income tax as if they had sold them.

Here we have a situation where an investment person who is managing his money and has it invested and is a trader in securities is fully invested, is doing well and his shares are going up and he has not sold any because he feels they are good and adequate investments. Now he finds that come April 30 he has a big tax bill, even though he has not received one cent, because the Minister of Finance wants to cast that net wider to catch every nickel he can lay his hands on because he is desperate for cash. While he is desperate for cash, he feels perfectly at liberty to dip his hands into the pockets of anybody he can find. Never mind about their cash flow problems; he does not seem to have any concern about their cash flow problems.

Here is someone who is going to have a tax liability and a debt to be paid, plus interest if he does not have the cash, because the shares he is holding and continues to hold have gone up in value. He has not sold them. He does not have any money. He has not realized any gains, and yet he has a tax burden. Do you not think that is stretching it a bit too far? I do.

How are we going to encourage investment if every time somebody makes a dollar, even before they get the dollar the tax man has his hand in his pocket saying "You owe me. You have to pay it now. I am going to charge you interest and penalties unless I get it now."

Mr. Mills (Broadview—Greenwood): What is the solution?

Mr. Williams: The solution is quite obvious: get our fiscal house in order so that we can manage our own cash flow and let business and other Canadians manage their cash flow and let them pay their taxes when they have earned the money. Remember, I said a dollar earned is a dollar taxable, but I did not say that a dollar unearned is a dollar taxable. That is a major quantum leap by this government into a new area of taxation, which we cannot condone under any circumstances whatsoever.

Not only that, but there is a semblance of offsetting. They are saying that if your shares go down they will allow you to do it at market value. If you have a loss and a couple of gains, one up and one down, you can net them off and pay tax on the difference.

• (1800)

That is okay in an inflationary environment. It is okay during a period of economic growth because by and large things tend to go up. This government will be the beneficiary of enhanced taxation during the good times. We are in an economic growth

period at this time and no doubt that is why the Minister of Finance introduced this particular piece of legislation.

Think about it this way. We go into an economic downturn, and we surely will as it has never failed before. I think the economists would agree that one will come along perhaps sooner rather than later, much to our misfortune. At that time after all the securities have been taxed at market value we do know that the preponderance may be that they will drop in value. At that time all of them will be asking for tax refunds which will further erode the government's fiscal position at a time when it needs the money most.

The government should keep its hands off the taxation of unearned income. That is the solution. This government should not get involved in a situation that increases the volatility of tax collection.

Any business and any government should know that the most important thing is a steady flow of income. This measure is going to try to generate additional revenues for the government in the short term while the economy is good. I can assure you that on the other side of the coin the chickens will come home to roost during the economic downturn. That is when this government will need the money most.

Other little arrangements in the bill are things like funeral expenses. Most of us do not pay too much attention to funeral arrangements. Tucked away in Bill C–70 is the opportunity to put $15,000 cash into a trust fund to pay for funeral expenses on one's death.

I am sure that the rank and file Canadians have $15,000 in their pockets and are just running out to put $15,000 into a trust fund now in order to ensure that they get properly buried when the time arrives. Not only that, they are going to be able to defer the taxes on the income.

Unfortunately the average Canadian cannot afford to run out today and put $15,000 in a trust fund to ensure a proper burial, but the rich people can. Here is another little giveaway to rich Canadians by telling them how they can shelter their income. Just stick $15,000 in a trust fund to ensure that they get a proper and adequate burial. If we think about that amount and the interest that is quite a funeral the yuppies are going have on their demise.

Perhaps I should buy some shares in these funeral home groups. They have been doing not too badly. I missed out on it before but maybe it would be a good idea to jump back in. Maybe they are going to make more money. Maybe $15,000 funerals are going to be the order of the day rather than something more appropriate for those who have less money. You never know.

Why in this time of difficulty when the Minister of Finance says that we need all the money we can get is he allowing rich people to tuck aside $15,000 plus interest, plus the income so that they never have to worry about it again? This nice little tax loophole has popped up from a government that promised to get rid of them.

The solutions are that we be fair to all Canadians. Surely the rule has to be that we are fair, that we ensure a small group of people who have ready access to government members, cabinet ministers and so on, should not be entitled to some special privilege which other Canadians do not have.

• (1805)

We should be fair to all Canadians. If the average Canadian cannot afford to put $15,000 into a trust fund for his funeral arrangements, then I do not think rich people should either. If they are that rich they can afford a few dollars to get themselves buried.

There are also the real estate investment trusts. Quite recently the real estate market in office buildings has not been doing so well. Too many Canadians were talked into these trust funds. We ran up the price of office and other buildings in large cities like Montreal and Toronto with the expectation that these small time investors were going to make big dollars.

Lo and behold what did we find? Down it went because the market was oversubscribed. The rich people took the money. They ran off home and the poor little investor was left with an empty building. He lost his shirt so they have now made some changes to the real estate investment trust taxation to allow these things to be rolled into an RRSP.

Here we are again giving an artificial incentive to Canadians to buy into real estate. In five or ten years from now when the market goes down again they will be left holding the bag while some people will walk home with the cash and I do not think they will be the small time investors.

During the Easter break, a mortgage free, nine storey office building in Edmonton was transferred for $1. There were not enough tenants to pay the taxes. It was losing $250,000 a year. Read it in the Edmonton *Journal*. It changed hands for $1. It was mortgage free. The city tax assessor said it was worth over $2.5 million. For one dollar. If that had been in a real estate investment trust how much of that dollar would the investors have received? Nothing.

We must be careful when we provide these tax incentives to the small and average investors. If we give these artificial incentives, we create a demand that should not be there. People jump in, the value goes up. We have heard this story so often. It is most unfortunate because it is always the small investor who loses.

There are many rules on the mutual fund reorganization again to try to help small investors. However, we must be very careful that we do not provide artificial incentives to these people. If these investments are lost, we know who they will be pointing their fingers at. They will want their taxes back. That will be a

further drain on the revenues of this government. That whole thing leads to volatility.

These are a few concerns I have about the bill. I certainly hope this government can see the light of day. The job has to be done as far as balancing the budget, and not these small changes, not an overhaul the Bloc Quebecois was talking about.

We are talking about a real concerted effort by the government to recognize that a fiscal crisis requires serious measures to get the budget balanced. Once that has been done, we do not have to worry about the pressure of increasing more taxes. We do not have to worry about the pressure of casting the net wider and wider to take in more and more people. We can start to live within our means. When the government feels it can dip into somebody else's pocket to help its cash flow problem, it makes the cash flow problem worse for the person who has to pay more taxes. The government does not seem to think about that.

• (1810)

If we are to create jobs we have to create the capital pools in the hands of the entrepreneurs who feel the money will not be taken away from them arbitrarily and prematurely with too much tax. We have to give them the opportunity to make a profit so they can feel confident to go out and build the factories, sell the products, hire the people and create the jobs which then create a whole new number of taxpayers. It is so much better, easier and fiscally prudent to have taxpayers than tax consumers.

I know the Liberal government is proposing this but it hired them in the first place. We should have fewer civil servants because it reduces the tax consumers. If we can help them to get into the private sector, perhaps even to start up their own business, surely that has to be beneficial because now they are tax producers rather than tax consumers.

This past weekend in my riding I was at a trade fair. I was talking to a young lady who had been employed in the health care services and now has her own little business. She is doing quite well and is quite happy. She is now a tax producer rather than a tax consumer.

I was also talking to a young entrepreneur, not yet 30, on his own without any government grant or assistance in any way, shape or form. He has created a computer program that he is now selling right across the country to large retailers and so on. If anyone wants to know about it, it is called "The Estimator". It does a wonderful job of helping companies estimate large projects. He wants to go international with it as soon as he can generate the cash flow.

Here is a young entrepreneur with no subsidy, no grant, on his own, who has developed a product with which he will now be generating some export revenues. These are the types of people we must encourage rather than drowning them in another 200 pages of tax rules so incomprehensible that they cannot get their minds around them. He now has to employ professionals, lawyers, accountants and so on to figure out how he should be doing his taxes.

Another item in the bill is the amendment to the way people may file notices of objections. Large companies now have to state specifically the areas in which they are objecting concerning their income tax if it is being reassessed.

On the public accounts committee we were dealing with what became known as the resource allowance boondoggle; $2 billion of tax money went down the drain because of this simple little loophole and an inefficient civil service. To recap, in 1980 the government and an oil company agreed to disagree on the assessment of income tax. It said: "See you in court". This is a typical situation. It was nine years later, in 1989, before it went to court and the government lost, much to its chagrin and much to its surprise because it thought it had a watertight case. It wrote the rules and the law and felt it understood them but it lost. That was okay because it would appeal.

In 1991 the government appealed and lost. It then asked how much money was involved. Believe it or not, it had never once figured out how much money was involved. By 1991 it realized that it was $1 billion. It was astounded. The government had no idea of the amount of money.

However, that was okay because it was to take it to the Supreme Court and show everyone who could win. The Supreme Court said it did not even want to hear about it. That was the end of the situation but it had one little twist. The last appeal court which pronounced a judgment on the situation ruled so much in favour of the oil company that when we asked Revenue Canada officials: "How much more money have we lost?", they said that it could be another $800 million plus interest. We lost $2 billion because nobody in 1980 asked how much money was at risk. Not only that, this situation remained wide open for 10 years and 40 other oil companies found out about it and adjusted their taxes back to 1980 as well.

• (1815)

It cost the Canadian taxpayers $2 billion because the civil service was not up to speed on the situation. With this measure that loophole has been closed by the Minister of Finance. It was closed largely because of the work done by the public accounts committee last year. We do not want to see this happen again. I do not want to stand up as a parliamentarian who is accountable to the public to say: "There goes another billion", but I have had to do just that.

The Canada pension plan loses $1 billion every five years. The people who are responsible for the CPP went to Treasury Board and asked for a new computer system. They said: "For every dollar we spend on a new computer system we will save $3". It sounded like a good investment to me, but Treasury Board said that it did not have the money. Therefore we will lose $3 and save one.

That is how the government is being run. That is the type of thing that is going on today. When I tell Canadians about these fiascos they shake their heads in disbelief that their taxes are being spent in that fashion. What senior bureaucrat, who is being paid a large salary, can justify refraining from spending one dollar if the evidence is there that he is going to save three?

One billion dollars will be lost through overpayments that are non–recoverable over a five–year period because they do not have a comprehensive and efficient computer system. That computer system would originally have cost $250 million. Now it is up to $340 million. Maybe by the time it is delivered it will be up to a billion and nothing will be saved. However, the point is that we are paying these intelligent, knowledgeable and educated people whose job it is to manage taxpayers' money to the benefit of Canadians. We are so tied up in rules and regulations that we cannot make an intelligent decision any more. We cannot say to the taxpayer that we are running the country efficiently.

However, we can produce, after a whole year, another 200 pages of incomprehensible law by which Canadians must abide. That is the problem not only with Bill C–70 but in the way the government is not attacking the problem. We need responsible government that is going to balance the budget and get the job done.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I would like to begin my speech on the debate by reminding not only members opposite but all Canadians about our commitment in the red book to the GST. The hon. member from the Reform Party suggested that we on this side of the House had forgotten about the commitment which was made during the last election. It is clearly stated on page 22 of the red book. I would like to quote a couple of sentences from it. It reads as follows:

> Fairness, simplicity, and harmonization should be key objectives of the tax policies. But instead of introducing fairness and simplicity into the tax system, the Conservative government not only imposed the greatest tax increases in history, but compounded unfairness and complexity by introducing the GST. The GST has undermined public confidence in the fairness of the tax system.
>
> The GST has lengthened and deepened the recession. It is costly for small business to administer.

• (1820)

We stated that:

> In the first session of the new Parliament, a Liberal government will give the all–party Finance Committee of the House of Commons a 12–month mandate to consult fully with Canadians and provincial governments and report on ways to achieve tax fairness. In particular, the committee will be mandated to report on all options for alternatives to the GST.

I recite those paragraphs from the red book because I am one member of Parliament who believes passionately that the tax system must be reformed. I stated in opposition for four years that the GST was not the way to go, that our current tax system, both personal and corporate income tax, was complex and unfair.

My proposal was quite specific. I worked with many chartered accountants and tax lawyers and we came up with the proposal of the single tax system. I was happy to see today, after almost six years of work, that the *Globe and Mail* has finally acknowledged that this may, in fact, be a pathway that we should consider taking.

The point I want to make tonight has to do with the role of the opposition. When I learned that the Reform Party elected close to 50 members during the last election, I was pretty excited about it in the sense that one cornerstone of its campaign during the last election was comprehensive tax reform.

I can remember the leader of the Reform Party coming to my city of Pickering, to CFRB, one of our larger radio stations. He took a whole morning on CFRB to say: "We must reform the tax system". In fact, he went so far as to say that the member for Broadview—Greenwood was on the right path with the single tax system. He did acknowledge that the Reform Party system was called the proportional tax system but he made a commitment that he would lead his party in the House of Commons and talk about a constructive alternative to the current mess. Now a year and a half later very rarely do we hear the opposition talk about that very specific proposal its members campaigned on in the last election.

I raise that because I think the nature and the spirit of the House has to do with constructive debate. It is from that action and interaction and the agreement and disagreement that we will eventually come up with a good, comprehensive tax system for all Canadians.

What did we hear today? We heard some criticism of this leftover portion of the tax act, part of which we inherited from the previous government. Not once in the speech of the previous member did we hear anything about the constructive alternative that the Reform Party talked about during the last election.

I talk about this with a tone of frustration because we have a spirit and an approach in this party where we debate vigorously within. We also welcome the debate that comes to us from across the floor. On the issue of taxation, the Reform Party has walked the other way.

● (1825)

Reformers have criticized the existing system but have not recommitted themselves to the campaign they ran on during the last election. I believe strongly in this issue and wish the Reform Party would come back and stir up that tax debate in a much more vigorous way.

I am concerned about this as well because I now see that in the United States all the leading Republicans for the presidential campaign are talking about a single tax system or a flat tax system. We understand that even some of the leading Democrats are looking at a total reform of the tax system.

That concerns me because if the United States adopts a single tax system before we do we will see a flight of capital and human energy and human capital out of this country that we have never seen before.

That is why I believe this is one of the essential, one of the prime debates that we must have in the House. I believe that if we would lead the way in total tax reform, comprehensive tax reform from the Chamber, we could also reverse the capital flow back here.

We all know the real challenge for those of us in government today is to get a handle on those capital flows. We know and we talk about the derivative game within all the chartered banks and major financial institutions. They are moving billions of dollars all around the world by pushing buttons.

One of the ways we could attract large pools of capital is by making sure the fundamental tax system is such that it would attract those large pools of capital. With a system like that where we would have those large pools of capital, that would put downward pressure on interest rates.

With that downward pressure on interest rates we would have capital available to the business men and women who are so desperately in need today of that capital in order to start their small or medium size business, grow it and expand it.

That is how we will get the economy going. The instrument we control in the House that can best manage those capital flows, that excitement about investment, that possibility for increased productivity is based in the Income Tax Act.

I listened to the Bloc Quebecois finance critic today taking all kinds of cheap shots at the fact that we were making little amendments to the tax act. Why does the Bloc Quebecois not look at the notion of comprehensive tax reform?

It is interesting. When we presented this idea to the finance committee a few months ago, the finance critic in the committee then for the Bloc Quebecois said: "When we separate this single tax system is the type of system we will have for Quebec. Why would we begrudge it for the rest of Canada?"

I wish the opposition parties, rather than taking cheap shots at minor amendments to the tax act, would get their forces together and really engage us in a debate on total tax reform.

If we do not have total tax reform in the House in about 25 or 30 months from now I agree with the people who say we will hit the wall when it comes to our deficit and debt.

The quickest and most constructive way to get out of this is by dealing with one of the root problems, comprehensive tax reform.

ADJOURNMENT PROCEEDINGS

● (1830)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

PUBLIC SERVICE

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I am pleased to have this opportunity to expand on my question of February 15 to the President of the Treasury Board concerning contracting in the public service.

Our second budget was a strong signal that we are determined to constrain government spending. One area that has not been constrained is contracting.

In the five years before we took office the cost of contracting rose at twice the rate of the cost of our own personnel; 7.5 per cent per year, increasing from $2.9 billion to over $5 billion. Under the previous government we were told these figures were simply not available. Our government has collected them and has made them public so they can be scrutinized.

These figures are only part of the story. Public Works and Government Services Canada reported it contracted $9.4 billion of goods and services for departments, and this does not include contracting done directly by the departments. Nor does it include the hidden costs of contracting: the preparation, the evaluation and awarding, supervision and exercising of quality control, the contractors' use of government space and equipment or the expertise of government employees provided at no cost, or the lost productivity of employees who spend much of their professional time dealing with contractors at the expense of their own professional work.

Since the budget this has become a particularly urgent question. Our budget projects reducing the size of the public service by 45,000 positions. We have pledged the utmost fairness and to reduce involuntary departures to the absolute minimum. We will pay $1 billion in early departure incentives to employees.

Training and out placement early retirement incentives will cost millions of dollars more.

The real cost in addition to dollars is the horrendous anxiety for employees, turmoil for the organizations and disruption of services to Canadians.

It is only fair that every effort be made to retain and retrain current employees for available work in the public service. We cannot justify continuing and expanding the use of outside sources to do work that could be done by an employee who would otherwise become another one of the 1.5 million unemployed.

Contracting is an essential tool for good management to meet temporary requirements for peak periods of activity, for one time projects, for specialized skills temporarily required, to provide government services or programs at reduced costs. However, Parliament has no assurance that contracting is being used only where it is cost effective and appropriate. Nearly half the contracting is done with no competition. In one year 17,000 contracts were awarded to single suppliers without a competitive bid.

In many cases contractors are working side by side with government employees doing the same work but for substantially higher fees. While employees are subject to a rigorous merit process to ensure the best qualified are appointed, contractors face no such screening.

There is concern about employees who have been compensated to leave the public service and then return often within days on contract either as individuals or through a company, sometimes while continuing to receive a government pension. This double dipping must be controlled.

I urge the President of the Treasury Board to accept the recommendation of the auditor general to require all departments to account in next year's estimates for full time equivalent personnel on contract. Only then will Parliament know whether the sacrifices being imposed on government employees are not rendered pointless by a growing shadow public service of contractors. I ask him to ensure in the short term that we are not taking jobs, income and hope from people only to have someone else take over their work and income through the back door.

We have people's lives in our hands, their future, their families, their homes, their careers, their children's education, their prospects for a decent standard of living in their old age. That is a serious responsibility and I believe constraining contracting is one important element of carrying out that responsibility responsibly.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, as you know, one of the main responsibilities of the government is to use taxpayers' money in the best possible manner. When it makes decisions regarding contracts, the government seeks to get the best possible value for taxpayers' money and relies on good management.

[*English*]

While the government is concerned about taxpayers' money, it is also conscious of the fact that it is a major employer. As such, it must also be concerned about its employees. We are facing a smaller public service and this will translate into difficult times for many of our employees.

We need only read the newspapers to realize the extent to which the President of the Treasury Board is concerned with employee well–being. He has been meeting with union officials and has said on a number of occasions the government wants to treat public servants fairly and humanely during the period of downsizing.

This means, among other things, living up to our commitment to find alternative employment for as many affected indeterminate employees as possible. In this regard the Treasury Board expects public service departments to examine their contracts for services as well as other internal employment opportunities with a view to offering these opportunities to affected employees. There are currently staffing controls in place in the public service.

The Treasury Board secretariat in consultation with departments and central agencies has been re–examining human resources management and employment practices to identify what new or modified measures should now be adopted.

Again, our goal is to make the best efforts we can to reintegrate affected employees. Increased emphasis is being given to this very activity.

The President of the Treasury Board has asked the Standing Committee on Government Operations to review government contracting services. The committee held extensive hearings during the fall. It continues to do so and is coming quite close to the completion of its task. It will be submitting a report, which government awaits with great interest.

We will still need to contract out for services. There are fluctuations in workloads, for example, during the taxation period. There is a need for specialized services for fleet management of government vehicles. There is contracting for services during emergencies. If a boat is caught on a reef when no government coast guard boat is available we would need to ask someone for help.

[*Translation*]

I believe this approach in the management of government affairs is truly fair, both for federal employees and Canadian taxpayers.

[*English*]

The Deputy Speaker: Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.37 p.m.)

HOUSE OF COMMONS

Tuesday, April 25, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

OFFICIAL LANGUAGES

The Deputy Speaker: I have the honour to lay upon the table the annual report of the Commissioner of Official Languages, covering the calendar year 1994, under our standing orders and under section 66 of the Official Languages Act.

[*Translation*]

Accordingly, pursuant to Standing Order 108(4)(*b*), the document is deemed referred to the Standing Joint Committee on Official Languages.

* * *

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 34 petitions.

* * *

AUDITOR GENERAL ACT

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.) moved for leave to introduce Bill C–83, an act to amend the Auditor General Act.

(Motions deemed adopted, bill read the first time and printed.)

PETITIONS

INCOME TAX ACT

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased to rise to present a petition on behalf of 61 people in Deloraine, Manitoba. The petition calls on the government to amend the Income Tax Act to provide a child care expense deduction that is available to all families, regardless of the income level of the parents, the amount of child care expenses incurred, or the form of child care chosen.

As members will be aware, my private member's bill, C–247, did just that. It is too bad that the government chose to defeat it, largely because of special interest group agendas and the fact that stay at home parents do not provide tax revenues for government coffers.

ASSISTED SUICIDE

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, today I would like to present a number of petitions on behalf of my constituents, pursuant to Standing Order 36.

The first petition requests that current laws regarding assisted suicide be enforced and no changes that would sanction or allow suicide or euthanasia be made to the law.

SEXUAL ORIENTATION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the second and third petitions ask Parliament not to indicate societal approval of same–sex relationships or homosexuality by amending legislation to include the undefined phrase "sexual orientation".

RIGHTS OF THE UNBORN

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the next petition prays that Parliament amend the Criminal Code to extend the same protection enjoyed by human beings to unborn human beings.

GUN CONTROL

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, my constituents have also requested that I submit their petitions asking Parliament to support laws that punish criminals using firearms; to support, recognize and protect the rights of law–abiding citizens to own and use recreational firearms; and to abolish any existing gun control laws that have proven ineffective.

DESIGNATION OF OFFICIAL OPPOSITION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, my last petition asks Parliament to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament. The signatories feel the rights and interests of all Canadian citizens cannot be adequately protected by the Bloc Quebecois.

GUN CONTROL

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, it is a pleasure for me this morning to present to the House of Commons a petition containing 1,375 names.

The petitioners humbly suggest that there is a need for more crime control in this country, not necessarily more gun control. The petitioners also ask for the removal of the firearm registry from Bill C–68. The petitioners also ask Parliament to concentrate its efforts on the criminal element of our society and not to erode gun owners' rights in Canada. The petitioners ask that common sense prevail.

• (1010)

CHELAN SUBDIVISION OF CNR

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, I wish to present petitions gathered by people along the Chelan Subdivision of the CNR, which is now, thanks to government order in council, no longer protected to the year 2000. Virtually every resident along that line has signed this petition.

The petitioners are asking Parliament to support Canada's rural way of life by rejecting the policy proposals of lifting the prohibition order on branch lines and developing agricultural and rural development policies for Canada in which rural citizens are considered to be human beings with spiritual, social, and economic needs and not just economic commodities or statistics.

SEXUAL ORIENTATION

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I would like to present a petition today with which I agree.

This petition asks that Parliament do not include the phrase "sexual orientation" in Bill C–41. This is one of many petitions that come from my constituency on this issue.

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I also wish to present a petition asking that sexual orientation not be included in any new hate crimes legislation. I endorse this petition. It is from the riding of Victoria—Haliburton in Ontario.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following question will be answered today: No. 136.

[*Text*]

Question No. 136—**Mr. McClelland:**

With respect to the old age pension (*a*) how much money is paid in old age pension to citizens of Canada now residing outside the country and what are the top five countries to which payments are made; (*b*) what residency requirements are necessary as a pre–condition to collecting old age pension; and (*c*) is it necessary to have paid taxes in Canada in order to collect old age pension while living outside Canada?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): (a) During 1994 approximately $177 million in old age security, OAS, benefits was paid outside Canada. It is not known how much of this was paid to citizens of Canada because an individual does not have to be a Canadian citizen to qualify for OAS.

The five countries to which the highest overall OAS payments were made in 1994 are in descending order:

United States—$92.2 million
Italy—$17.8 million
United Kingdom—$13.6 million
Greece—$5.3 million
Portugal—$4.7 million

(b) To receive an OAS pension an individual must be a Canadian citizen or legal resident of Canada on the day preceding approval of the OAS pension application; or if no longer living in Canada, must have been a Canadian citizen or legal resident of Canada on the day preceding the day he or she stopped living in Canada. In addition, an individual must have resided in Canada for a minimum of 10 years after age 18. To receive an OAS pension outside Canada, an individual must have lived in Canada for at least 20 years after age 18.

The amount of the OAS pension paid either within Canada or abroad depends on how long an individual has lived in Canada after age 18. A full pension is payable with 40 or more years of residence in Canada after age 18. A partial pension is payable with less than 40 but at least 10 years of residence after age 18, accrued at the rate of one–fortieth of the full pension for each year of residence after age 18.

Individuals with less than 40 years of residence can qualify for a full pension under a former set of rules that is being phased out over a 40–year period which began July 1, 1977. A full OAS pension can be paid if, on July 1, 1977, an individual was 25 years of age or over, and lived in Canada on July 1, 1977; had lived in Canada before July 1, 1977 after reaching age 18; or possessed a valid immigration visa on July 1, 1977.

In such cases, an individual must have lived in Canada for the 10 years immediately preceding approval of the OAS application. Absences in this 10–year period may be offset if the individual lived in Canada after age 18 and before the 10–year period for periods that equal at least three times the length of the absence. In this case, however, the individual is required to live in Canada for a full year immediately preceding approval of the OAS application.

The Old Age Security Act permits the inclusion of the old age security program in reciprocal social security agreements. Such agreements enable people who live or who have lived in the other contracting country to add periods of residence abroad, or in some cases periods of contributions, to periods of residence in Canada to satisfy the minimum eligibility requirements for the OAS pension, and the income tested spouse's allowance. For example, someone who lived in Canada for less than the 10 years required to qualify for a partial OAS pension in Canada would be able to use periods of residence in the other country to meet the 10–year requirement. As well, a similar provision would apply to someone who lived in Canada for less than the 20 years required for payment of the OAS pension outside the country.

Once eligibility for the OAS pension is established in this way, the actual pension paid is based only on actual periods of residence in Canada.

The answer to (c) is no. Payment outside Canada depends only on whether an individual has resided in Canada for at least 20 years after age 18 or is living in a country with which Canada has concluded an international social security agreement.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, with respect to Starred Question No. 163, I would ask that the answer be made an Order for Return, in which case the return would be tabled immediately. I would ask that all the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 163—**Mr. Penson:**

With regard to the Prime Minister's recent trip to Latin America, (*a*) how many business people accompanied the Prime Minister, (*b*) what was the total amount of federal government assistance to business people on the trip, (*c*) which Canadian companies signed firm deals, (*d*) what was the total dollar amount for these deals, (*e*) what was the extent and source of federal government financing to make these deals possible, (*f*) which memorandums of understanding were signed, and (*g*) what promises were made of possible federal government financing or other assistance if these MOU's should result in firm sales?

Return tabled.

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House proceeded to the consideration of Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There are 33 motions in amendment in the Notice Paper concerning the report stage of Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts.

Motions Nos. 10 and 20 are identical to motions presented and rejected in committee. Accordingly, pursuant to Standing Order 76(5), they will not be selected.

[*English*]

Motion No. 1 will be debated and voted on separately.

[*Translation*]

Motions Nos. 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 21, 24, 26, 27, 32, and 33 will be grouped for debate and voted on as follows:

(a) A vote on Motion No. 2 applies to Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32, and 33.

(b) An affirmative vote on Motion No. 2 will obviate the necessity of the question being put on Motions Nos. 3, 15, 16, 17, and 18.

i. Motion No. 11 will be voted on separately.

(c) However, a negative vote on Motion No. 2 necessitates the question being put on Motions Nos. 3, 11 and 16.

i. A vote on Motion No. 3 applies to Motion No. 15.

ii. A vote on Motion No. 11 applies to Motions Nos. 17 and 18.

(d) Motions Nos. 7, 9 and 21 will be voted on separately.

Motion No. 19 will be debated and voted on separately.

[*English*]

Motions Nos. 22, 23, 25, 28, 29, 30 and 31 will be grouped for debate and voted on as follows. An affirmative vote on Motion No. 22 obviates the necessity of the question being put on Motion No. 23. On the other hand, a negative vote on Motion No. 22 necessitates the question being put on Motion No. 23.

Motion No. 25 will be voted on separately.

• (1015)

A vote on Motion No. 28 applies to Motion No. 29. An affirmative vote on Motion No. 28 obviates the necessity of the question being put on Motion No. 30. On the other hand, a negative vote on Motion No. 28 necessitates the need for the question being put on Motion No. 30.

Motion No. 31 will be voted on separately.

MOTIONS IN AMENDMENT

Mr. Ken Epp (Elk Island, Ref) moved:

That Bill C–43, in clause 2, be amended by deleting lines 8 to 20, on page 2.

He said: Mr. Speaker, it is distinct pleasure to address the questions before us today on the Lobbyists Registration Act.

One of the pledges of the Liberal government was to rebuild trust in government which has been eroded to a considerable extent over the last number of years under previous governments. I use the plural extending to more than two.

The amendment is very specific. The government labelled the report on this bill "rebuilding trust". Therefore our party has tried to come up with amendments—this will be true for the one before us now and for the others we are proposing—that work toward that goal.

In a way we are trying to help the government to achieve the goals it stated but for some reason has now become unwilling to follow through on.

We are moving an amendment to increase the openness, the accountability and the disclosure required under the Lobbyists Registration Act so citizens can see more clearly what is happening. In a very general sense hopefully the more they know the more we will move toward a true democracy since it seems we have lost the sense of true representative democracy.

MPs are elected and sent to the House to represent their constituents but sometimes are not allowed to vote according to the wishes of those they represent; the decisions being made in smaller rooms elsewhere and the results being orchestrated from here. Obviously if people want to have their input into how government works they will find out where the decisions are made and then proceed to use that particular approach.

How did lobbyists gain such a large force? The people have discovered that it is a way they can get to the root of where the decisions are made in government. It is not through the members of Parliament. They have essentially lost their representative function.

The way one influences government policy is by getting to the decision makers. The decision makers are the top bureaucrats, the deputy ministers, the ministers and the Prime Minister. Backbench MPs on the government side ultimately feel that pressure. I have spoken to some who have expressed some consternation about the fact that they are not free to express their views in the House because of the element of party discipline.

The amendment we are moving would require more openness and disclosure. Therefore when people become aware of how government is being influenced, hopefully the more they know the more they will dislike it and we will then be able to achieve a shift toward true representative government via members of Parliament.

• (1020)

I found the work in the committee on Bill C–43 for the most part very interesting. It was a good committee. Our chairman was very capable and very personable. Sometimes he tried to push things through too fast. We had a committee that worked together and pulled him back. For the most part things went very smoothly until we came the end. Suddenly there was a dramatic shift on the part of government members. They stopped listening to reason and suddenly it was orchestrated from the back rooms.

When the motion simply says to delete some lines and introduce new ones, it is not really clear to the average person or even to some members exactly what this motion proposes.

Presently the bill exempts from registration requirements any meetings initiated by public office holders. In other words, the Lobbyists Registration Act says if you lobby government, you are supposed to register. That is an acknowledgement that there is a lobby group, organization, a business, a firm or a corporation trying to influence government.

We found out that quite often the government makes an initiative to talk to lobbyists because it wants to find out something about a particular business sector or it has some other reason. It initiates the call.

If it is a straight transfer of information, information gathering and if all of our amendments are accepted, that would not be included in a registration requirement. Where the lobbyist is trying to influence the government, however the first contact is initiated it ought to be disclosed. Bill C–43 as proposed by the government does not include that.

We are saying there should not be an exemption from registration if a department official or the minister or anyone else in government initiates the communications. In other words, if there is communication taking place, the purpose of it is ultimately in order to influence government, however it was implemented.

We need to be careful because if we do not permit this amendment, we will provide a very easy loophole. If we are rebuilding trust, the last thing we want is to provide a number of escape routes from accountability. The present bill has that escape route because it says that if a government official initiates the meeting, then registration is not required. Therefore what happens in that meeting may be greatly directed toward

influencing government. A government official has asked for it but immediately the lobbyist is influencing government.

It would not be correct to provide a means whereby the person doing the lobbying is now exempted from registration just because he did not take the first motion.

I will quote a local columnist: "Any lobbyist who cannot finagle an invitation from a public office holder is not worth his retainer". That is true. If a lobbyist wants to influence government but wants to do it in such a way that is not disclosed all he has to do is, in the words of this columnist, finagle an invitation.

• (1025)

That is very easy to do if one has a good lobbyist network. That is what these guys are about. This is their business. Therefore members can see where the lobbyist would meet casually with the government official and say: "Invite me down, I would like to talk to you about some things". There is a delay of a couple of days. Then he gets an invitation and now he is not required to register.

There is some question as to whether this would inhibit government officials from genuinely seeking information. I need to have the members, when they are considering supporting us in this amendment, to remember that we are also proposing another amendment that really is necessary to understand in order to approve this one. We want to also change the definition of lobbying. Lobbying is not well defined in the present act. We would like to change it so that the element of influencing or attempting to influence government is an integral part of definition of lobbyist.

That way if there is a genuine request simply for information there would be no requirement at all to register in any case. That is not a lobbying function. That would be a very normal routine of talking to some sector of industry for absent association in order to find information.

This new definition, if we say it must include influencing or attempting to influence, would totally look after that. Therefore in supporting the amendment we are proposing the government would do well. It would be fulfilling its own red book promise of increasing transparency, increasing accountability, increasing the openness with which government operates so hopefully the result could be achieved. We want to make sure all aspects of government operations whether procurement or influencing of government policy be done in the open so people know what is happening. Hopefully they can renew their trust in the officials, in the MPs and in the cabinet ministers elected by them.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I would like to reiterate what the member for Elk Island said, that it was a great experience working on this bill in committee. We on this side of the House found it satisfying as well.

The member's motion will not be supported by the government because we believe the bill covers the very thing the member says it does not cover. If a lobbyist were to lobby for an issue with a public servant even though the initiation was made by a public office holder on a totally different issue, it does not take away from the responsibility of the lobbyist to report that piece of lobbying in the context of a government initiated meeting.

There is a balancing act between transparency and making sure there is a good working relationship between the government and the private sector in the interests of developing good public policy.

We did say that in the interpretation bulletin from the registrar that the area the member is concerned about is crafted precisely to make sure there would not be any kind of loophole.

• (1030)

The essence of the bill states clearly that if a lobbyist within 10 days of registering is arranging meetings or attempting to influence legislative proposals, bills, resolutions, regulations, policies, programs, award of grants, contributions, other financial benefits, or award of contracts, must be duly noted.

Another thing the member talked about in his speech was the need to make sure all of this information was open and accessible. All of these registrations, all meetings and all of this information would be available through computer access via Internet. Therefore there is no need for this amendment. The bill has gone a long way in advancing the transparency of the relationship between lobbyists and the Government of Canada.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, like my two colleagues who spoke before me, I will make a brief comment on the work done by committee members who considered this bill. I sat on the committee myself and attended most of its meetings. I followed proceedings very closely and listened to many witnesses. I can tell you that I am a little disappointed in the very partisan work done by government members.

The attendance record of the government members was not as good as that of the representatives of the Bloc Quebecois and the Reform Party, so that it was extremely difficult to agree and achieve one of the objectives, namely to reassert the value of the work done by ordinary members of Parliament through exchanges between government and opposition members.

When people opposite us keep changing from one meeting to the next, it is very difficult to resume a discussion or complete the arguments introduced one or two days before the last meeting. Yes, there were good exchanges at the committee level.

There is, however, room for improvement with respect to the attendance record of government members and how they could follow up the work done in committee.

With regard to the objective sought by Bill C–43, I think that no one in this House can be against it. True, taxpayers and constituents from across the country have lost some confidence in the government for several reasons. One only has to look to the past to find many reasons to lose one's confidence in the government. Bill C–43 is designed to ensure a certain level of openness, to show everyone what the power brokers in Ottawa are really doing behind the scenes.

In any case, the objective of Bill C–43 was to make all lobbyists—or influence peddlers as some people call them—accountable, to make their work on Parliament Hill more transparent, to show the people that, in the end, the government was justified in doing business with a given individual, in changing the regulations, in drafting a bill or anything else.

This goal is commendable and the opposition agrees with it. The reason we agreed to work with the government was to achieve greater transparency. However, the bill we are debating, Bill C–43, is very disappointing in that it did not achieve this goal. Today, I am doing the same thing I did at the committee stage, when I suggested a number of amendments to promote more openness and bring about the desired transparency. It is one thing to have a goal, but efforts must be made to achieve it.

I suggested a number of approaches—twenty or so—at committee level, but this government, government members who, by the way, had not even heard the evidence, attended our meetings and heard witnesses request specific measures, rejected every one of the amendments proposed by the Bloc Quebecois. They voted them down. Today, the government is given another opportunity to improve this bill through a series of amendments. We have 33 motions before us and I think that some of them would greatly help improve transparency, as Bill C–43 seeks to do.

• (1035)

I urge the government to give serious consideration to these motions, to review the goals it set in its famous red book during the election campaign and then to look at Bill C–43 in order to determine whether or not these goals were met. I am convinced that it will come to the conclusion that, indeed, they were not. Now, the opposition is offering to help the government achieve a goal it has set for itself during the last election campaign.

I must say however that Motion No. 1 may not be going in the direction that I just mentioned. Let me explain. I agree with the government that Motion No. 1 should not be passed.

We must set Motion No. 1 in context and see what changes it introduces. It amends clause 2 of the bill, that is to say section 2 of the present act, under definitions. It also affects subsection 4(2) of the act, under application, which specifies to whom the act applies and particularly to whom it does not apply, because I think arrangements have to be made so that citizens can contact the government. I think that honest citizens who are looking for information, want to express their views before our committees and act openly and publicly should not be restricted in their right to contact the government to make representations.

In fact, two exceptions to subsection 4(2) are already contemplated. The first exception concerns those who make representations before a Senate, a House of Commons or a joint committee. Several pieces of legislation are reviewed in committee, and it only makes sense that those who submit briefs and come to tell the committee what they think of a bill should not have to register. That exception is already included.

The second exception deals with the case of a taxpayer who phones a public servant to obtain an interpretation regarding existing legislation. Again, it goes without saying that the person should not have to register, nor state his reason for contacting the government, since it is normal to communicate with public servants to obtain details regarding legislation.

This amendment to Bill C–43, which the Reform Party wants to eliminate through its motion, would affect all those contacted by the government. During the review conducted by the committee, I referred to these situations as "government initiatives". Before awarding a contract or considering a specific measure, the government, for a number of reasons, usually contacts some organizations to get their opinion. It approaches various groups and asks them: "Do you have a problem with this legislation? Would you be in favour of improving it in this fashion? Would you be opposed to such a measure? What do you think?"

If an exception is not provided regarding clause 4(2) of this bill, people will stop providing such answers to the government. The witnesses heard by the committee clearly said that, if they have to comply with the provisions of Bill C–43, they, as officials representing mostly non–profit community organizations, will definitely stop providing opinions to the government and help it make choices. These people added that they would certainly not pay to reply to a government's request.

So, that amendment, which is just about the only one accepted by the government, should not be set aside right away. It should be reviewed, and I ask the Reform Party to really consider the purpose of this amendment, which is the only one which was accepted by the government following the review of this bill by the committee.

The amendment is very simple.

• (1040)

The bottom line is that any oral or written submission made to a public office holder by an individual on behalf of any person or organization will be exempt if it is in direct reply to a written request from a public office holder for advice or comment in respect of the specified provisions. Other clauses are also quoted to specify who the clause will apply to.

The wording of the clause now before us guarantees that the fears the Reform member just expressed will not be substantiated, that there will be no bending of the rules or attempts to get around the law, because everything will be done in writing. And I think that, under the Access to Information Act, we as taxpayers can obtain copies of this information. Therefore, we can check the public servant's request and the organization's reply because they will be in writing. This applies to a direct, written reply to a request.

Bill C–43 and the amendment proposed this morning, which the Reform Party does not support, would not exempt the information in cases where, following analysis or research, it was discovered that the public servant asked the organization whether it would support such and such legislation and it is obvious from the organization's reply that it would only support the government's proposal in exchange for such and such a contract or an amendment to such and such other regulation. Therefore, the organization in question would have to meet the requirements of Bill C–43.

Motion No. 1, as it is written, quite simply moves that the entire amendment or the content of clause 4(2) of Bill C–43 be removed, and I cannot support such a motion. This and all of the reasons stated above is why the Bloc Quebecois, the official opposition, will vote against Motion No. 1.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I rise to confirm my support for the motion before the House that Bill C–43, in clause 2, be amended by deleting lines 8 to 20 on page 2.

We want to ensure that the Lobbyists Registration Act is open, transparent and that it works for the benefit of all Canadians. I mean all Canadians, not the few who feel that behind the scenes they can influence government policy and government decisions to their own particular benefit.

No greater example exists than the Pearson airport situation. It has been deliberated on in the House on many occasions over the last year or more. It was a deal struck behind the scenes by a government that, in its waning days, knew it was headed for defeat. It decided it would get all its friends rolled up into one neat little package and provide a contract worth millions of dollars over many years. One of the prime assets of the country, Toronto's Pearson International Airport, would be given to a select few at a cost to all Canadians. That is the type of thing which we want to ensure is eliminated once and for all.

We have also read the book *On the Take*. It is a litany of situations where, from beginning to end, government and individuals, behind closed doors, manipulate things in their favour. The innocent Canadian is left with nothing other than the bill to pay, which is in the millions of dollars. That is the type of thing we want to see stopped by this motion.

It is a two–way situation. When individuals are talking to people in government, be they cabinet ministers, backbenchers, or senior civil servants, it is a two–way street. Therefore, we must register when the public servants talk to these people, not just when the individuals talk to the government. If I phone and leave a message for a deputy minister, a cabinet minister or the director of a department and find out that he is out and he returns my call, that does not need to be registered. If he returns my call it does not need to be registered. Had I had talked to him when I called the first time, there would be a requirement for it to be registered. However, if one leaves a message to have the individual call back, the government person is now talking to the individual and it does not need to be registered. It makes no sense at all. It is a two–way street. This loophole is so big that a 747 could fly through it. In fact every day many 747s could fly through the loophole.

• (1045)

If the government were serious about representing Canadians, about being open and transparent about lobbyists, about ensuring that Canadians deserve better and about wanting to be perceived as a government that is honest, reliable and trustworthy, surely it would want to support the motion.

I cannot think why the government would not want to support the motion, unless it has devious things in mind and once it is in place it can tell Canadians that it has tightened up the Lobbyist Registration Act, made it more difficult, and requires more registration. It has left out the situation where bureaucrats, cabinet ministers, backbenchers or whoever talk to the individuals. That type of exchange has been eliminated from the registration act. Basically the legislation means nothing because the loophole is so wide it has destroyed the whole meaning of lobbyist registration.

That is the point we are trying to make to the government on behalf of Canadians. If the government wants the registration act to mean something, surely it would want to support the motion.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

We will now move to the second group which has 22 amendments. I hope I will be able to dispense as we go along or there will be a lot of reading.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 2

That Bill C–43, in Clause 3, be amended by replacing lines 24 to 28, on page 2 with the following:

"5. (1) Every individual who, for payment, pursuant to a contract or other arrangement or as an employee, undertakes or as a part of the duties of employment is required to undertake, on behalf of any person or organization (in this section referred to as the "client"), or on behalf of the individual's employer or the employer's client, to

(*a*) communicate with a public office holder or advise a client how to communicate with a public office holder".

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 3

That Bill C–43, in Clause 3, be amended in the French version, by replacing lines 26 and 27, on page 2, with the following:

«toute personne (ci–après «lobbyiste–conseil») qui, moyennant paiement,».

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 4

That Bill C–43, in Clause 3, be amended by replacing line 12, on page 3, with following:

"office holder and any other person or advise another how to arrange such a meeting,".

Motion No. 5

That Bill C–43, in Clause 3, be amended in the French version, by replacing line 14, on page 3, with the following:

"(2) Le lobbyiste est tenu, dans sa".

Motion No. 6

That Bill C–43, in Clause 3, be amended by replacing line 23, on page 3, with following:

"individual is engaged in business or employed;".

Motion No. 7

That Bill C–43, in Clause 3, be amended by adding after line 23, on page 3, the following:

"(a.1)

(i) any employment or appointed or elected office the individual has held with the government of Canada or a province or with a municipality;

(ii) any employment or office the individual has held with a political party, political party caucus, a member of Parliament or of the legislative assembly of a province or a minister of the Crown in right of Canada or a province;

(iii) if the individual donated more than one thousand dollars in aggregate to political parties during the preceding year, the amount donated to each party;".

Mr. Epp: Mr. Speaker, I rise on a point of order. Could you shorten things by just reading the sections. I would like you to read the sections themselves and then we could say we would dispense with them all in one sweep.

The Deputy Speaker: For example, Motion No. 7. Mr. Epp, seconded by Mr. Hoeppner, moves that Bill C–43 in clause 3 be amended and so on. Is that acceptable?

Mr. Epp: All these motions are on the Order Paper. If you were to read the exact motions we are dealing with in this group we could dispense with all of them in one fell swoop.

• (1050)

The Deputy Speaker: The Chair is required to start to read them because they have not been introduced in the House.

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 8

That Bill C–43, in Clause 3, be amended by adding after line 44, on page 3, the following:

"(*e*.1) where the individual is employed by an organization and the organization is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the organization from that government or government agency during the previous three years;".

Motion No. 9

That Bill C–43, in Clause 3, be amended by adding after line 44, on page 3, the following:

"(*e*.1) where the client is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the client from that government or government agency;".

Motion No. 11

That Bill C–43, in Clause 3, be amended by adding after line 19, on page 4, the following:

"(*h*.1) the name of every public office holder the individual has attempted to influence or expects to attempt to influence;".

Motion No. 12

That Bill C–43, in Clause 3, be amended by adding after line 27, on page 5, the following:

"(6.1) Where the individual is employed by a corporation or an organization and carries out activities mentioned in subsection (1) in the course of the employment, the employer must

(*a*) ensure that the individual complies with this section, or

(*b*) make the returns and provide the information that the individual is required to make by this section."

Motion No. 13

That Bill C–43, in Clause 3, be amended in the French version, by replacing line 20, on page 5, with the following:

"(7) Le lobbyiste qui s'engage à".

Motion No. 14

That Bill C–43, in Clause 3, be amended by deleting lines 36 to 47 on page 5, 1 to 46 on page 6, 1 to 46 on page 7, 1 to 45 on page 8, 1 to 48 on page 9, 1 to 47 on page 10 and 1 to 47 on page 11.

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 15

That Bill C–43, in Clause 3, be amended in the French version, by replacing lines 32 and 33, on page 5, with the following:

"phe (3) tout employé (ci–après «lobbyiste salarié») d'une personne".

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 16

That Bill C–43, in Clause 3, be amended by adding after line 16, on page 7, the following:

"(*f*.1) where the employer is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the employer from that government or government agency;".

Motion No. 17

That Bill C–43, in Clause 3, be amended by adding after line 46, on page 7, the following:

"(*j*.1) the name of every public office holder the employee has attempted to influence or expects to attempt to influence;".

Motion No. 18

That Bill C–43, in Clause 3, be amended by adding after line 7, on page 11, the following:

"(*j*.1) the name of every public office holder any such employee has attempted to influence or expects to attempt to influence;".

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 21

That Bill C–43, in Clause 5, be amended in the French version, by replacing line 23, on page 13, with the following:

"ne sont pas des textes réglementaires au sens de la".

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 24

That Bill C–43, in Clause 5, be amended by replacing lines 32 and 33, on page 13, with the following:

"the activities described in subsection 5(1)."

Motion No. 26

That Bill C–43, in Clause 5, be amended by replacing lines 5 to 11, on page 14, with the following:

"10.3(1) Every individual who is required to file a return under subsection 5(1) shall comply with the Code."

Motion No. 27

That Bill C–43, in Clause 5, be amended by replacing lines 35 to 41, on page 14, with the following:

"5(1), in respect of any matter referred to in any of subparagraphs 5(1)(*a*)(i) to (vi); and".

Motion No. 32

That Bill C–43, in Clause 5, be amended by replacing lines 44 to 48, on page 15 and line 1, on page 16, with the following:

"in respect of any matter referred to in any of subparagraphs 5(1)(*a*)(i) to (vi), if the Ethics".

Motion No. 33

That Bill C–43, in Clause 7, be amended by replacing line 29, on page 16, with following:

"section 5, or for any service".

He said: Mr. Speaker, I begin this section of my participation today by commenting briefly on the process we went through. When Bill C–43 was first introduced last June we were relatively new in the House. I did not understand the full impact of what it meant to go from first reading directly into committee. Consequently we had a very good open discussion, I guess because most of the members of the committee were first time members of the House. We actually operated like a group of co–operating individuals for the most part, especially at the beginning of the committee. We tried to come together on a number of issues.

I was really quite disappointed to find that some of the things we tried to do were subsequently defeated or were not accepted as ideas worthy of being put forward.

In this grouping I will talk specifically about some of the motions. It would have been nice if we could have spent a little more time on all of them, but I will not be able to cover them all in 10 minutes. It is important for us as the House to adopt this set of amendments. Obviously I believe that or I would not have brought mine forward. In this instance I am eagerly anticipating that we will come to an agreement to accept the amendments.

I will begin talking about Motion No. 2 because it is a very important one. We need to clearly define who a lobbyist is. This amendment very clearly specifies what a lobbying activity is and how it is defined so that there is no question.

The problem with Bill C–43 and indeed the old Lobbyists Registration Act is that they are not clear as to precisely who is

required to register. We have said a lobbyist is a person who is clearly a lobbyist and there should be no question.

This is the definition:

> Every individual who, for payment, pursuant to a contract or other arrangement or as an employee, undertakes or as a part of the duties of employment is required to undertake, on behalf of any person or organization (in this section referred to as the "client"), or on behalf of the individual's employer or the employer's client—

• (1055)

We want to specifically add the activity:

> (a) communicate with a public office holder or advise a client how to communicate with a public office holder.

That person would be defined as a lobbyist. This is a critical part of the bill.

If we fail to bring in a clear definition of who has to register, it does not matter what the requirements for disclosure are. The presumed lobbyist can ask whether or not he or she is required to register. If the conclusion is that he or she is not required to register then he or she will not register. The result will be no disclosure at all, which defeats the whole purpose of the bill. That would be a pivotal point in this group.

We also want to include advice on how to lobby. Sometimes in order to avoid disclosure we could have a lobbyist who simply trains someone else. He or she does not make the contacts but does everything else. He or she indicates by the connections with whom to get in contact and shows the tree to follow in terms of making the connections. In other words, basically he or she orchestrates all of the work of the lobbying effort without becoming personally involved. We would include that also in the definition as given here.

In the current definition there is a real loose word. It states: "Anybody who spends a significant of time lobbying". The word significant is really one that is open to interpretation. We could have some people who because of the nature of their jobs spend 50 per cent of their time lobbying. They could actually spend less time than other people who spend 10 per cent of their time lobbying. To leave significant in the definition leaves it open and there is no clarity. This has the added problem for those people who are involved in lobbying to know if they should lobby. Neither will the registrar know by the definition whether or not there is a breach of the law. We should fix that one up.

Turning to Motion No. 7, this amendment is also very important because it provides for disclosure of connections. This is one area where Canadians have taken the greatest offence. After a person has worked particularly in the higher echelons of government, and indeed in the higher echelons of the House as a cabinet minister, retires from the activity and becomes a lobbyist, there is a network which occasionally is very suspicious in the minds of the people. It could happen that what the people are thinking is not accurate. I admit that. However, if we provide for disclosure and openness, at least we can honestly say that we are not trying to hide anything: these are the facts and they stand for themselves.

In this motion we are simply asking that anybody who in their past has had employment with or been elected to office in the Government of Canada, a province or a municipality, because those are important networks as well, be required to disclose it. We are asking that people register by stating that they have held a position with a political party as an employee or have held an office with a political party. Let us not hide it.

Undoubtedly someone will say in debate that it is on the public record anyway. Yes, it is. Anybody who has been a cabinet minister is on the public record. However it should be clear and concise.

• (1100)

When a person looks up the registration of a particular lobbyist it takes little effort for the person to simply delineate it in the registration. People can then see there is nothing being hidden.

We are asking that even those who have been heavily involved in contributing to political parties disclose that. If an individual donated more than $1,000 in aggregate to political parties during the preceding year, then the amount being donated to each party should be disclosed. Again, this is a matter of public record. During an election campaign major contributors are made public. The lists are available to anyone who asks. All we are saying is this should be readily accessible. It is very important for us to consider these different parts.

Another element in this group has to do with the tiers. As we know there are different levels of lobbyists. There are those who are simply professional lobbyists and work in a professional and client relationship. They get paid. There should no longer be a distinction among the different tiers. In other words, anybody who is there to influence government should be able to and should be required to give disclosure. We would like to say that whoever does it, whatever their level, it should be open. It should not be anything that is withheld from the people of the country.

Another element which I think annoys many Canadians and that we can fix in this bill is the disclosure by companies or groups that receive direct government funding. It is really an enigma that we are elected as members of the House of Commons.

During the campaign I certainly emphasized, and members on the government side said the same thing, that we were proud to represent our constituents. In reading the maiden speeches in *Hansard* by the 200 members here for the first time in this Parliament, almost every one said: "I am proud to have been elected by the people in my constituency to represent them

here". That is wonderful. That is the way democracy should work.

It annoys Canadians when the very people they send to represent them are not able to do the job, but their tax dollars go to fund lobby groups to influence high government officials to change government policy. Something is backward. They should use the MPs because they are paying a lot of money to run our offices and to have those people in place. Let them do their jobs or reduce the House of Commons to 20 people. They do not need us if we are not going to do our work.

If there are going to be lobbyists, why should the taxpayers be funding the MPs offices, salaries and pensions and at the same time funding the lobbyists? In our system it appears the lobbyists have a greater influence on government policy than do the members of Parliament.

Therefore, we are proposing as stage one that when funding is received from government it is going to be made public. If any lobbyist individually or through representation by an association or corporation receives direct government funding, that should be disclosed. That is step one.

Hopefully step two would be that when this was sufficiently known, the people of Canada would revolt, of course in a friendly manner, at election time. They will elect Reformers who will say it is the responsibility of the MPs and not the lobbyists to represent the constituents. Hopefully with this openness people will at least become aware and will be able to make a rational decision.

• (1105)

I would have a lot to say about some of the other amendments as well since I have been working on this for a year. However, I realize my time is up and I will yield the floor now to other colleagues who will speak on some other matters.

The Deputy Speaker: The member is certainly welcome to ask for unanimous consent if he wishes a few more minutes to continue.

Mr. Epp: Mr. Speaker, may I then ask for unanimous consent to have a few more minutes?

The Deputy Speaker: How much longer does the member require?

Mr. Epp: Five minutes.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Mr. Epp: Mr. Speaker, I love this good sense of negotiating here.

An hon. member: Lobbying.

Mr. Epp: This was clear negotiation. No lobbying was involved here.

One of the things we need to do is to make sure that there is no means of hiding the lobbying process.

Right now what we are doing with the intent of this bill—the Lobbyists Registration Act started it, this bill amends it and its intent is to strengthen it. It is recognizing the reality of lobbying in our present system.

As I have said, if we are going to have it, we need to be totally open. We need to make sure that the people of the country understand this. What we want is for the rules for lobbyists to all be the same.

Presently the bill does not require the disclosure of who is lobbied. Therefore I come to another very important point. One of the amendments in this group—and I do not remember the exact number, perhaps it is Motion No. 17—indicates what we want to include in the registration of the lobbying process. It is not only which government department is being lobbied. That is what is being called for now. We also want to have specific individuals.

Again, how general is this going to become? We need to recognize that just because a person makes a phone call, that is not lobbying. A person who talks to someone to ask who is in charge of a department, is not lobbying.

We must go back again to the definition which says if you are influencing or attempting to influence government and you are being paid for it, that is the definition of a lobbyist. If that is occurring, then the people of Canada should know not only who the lobbyist is on this side but also who the government official is on the other side.

What is there to hide? Why should we hesitate for a moment to say who the deputy minister was in the meeting to present the information? Why should we hide that? There is absolutely no reason. Again, the more information we can get to the people, the greater their trust will be in the whole process.

Another one is, how much money passes the hands? Obviously this is a matter of great importance. In talking to my constituents I have found that they are very concerned about the total costs to run an MP's office. For example, there has been a lot of interest in my constituency about the fact that the average MP gets an additional present value of around $2,500 a month in order to provide for his pension benefits. They are interested in those things.

Our question is, how much is being paid to lobbyists? People should know this. If it is a small amount, probably there is no big deal but if we are dealing with millions of dollars, that should raise a flag. People should know that.

I would like to quote someone: "I think fees and major disbursements should be registered". Later in the same session, the same person said: "What is wrong with a system that would disclose fees and major disbursements? After all, if the whole business of having a registration system is to identify who is doing what to whom so that the competing interest has a right to

know, how do we know who is doing what to whom unless there is a price tag, unless there is a caveat at the end? At what cost?"

• (1110)

I am quoting the hon. member for Glengarry—Prescott—Russell who, when he sat on this side of the House, said that we need to disclose these things. We need to make sure that the people know not only who is doing what but at what price. This is a very important aspect of the bill.

I would also like to read another quote: "One of the reasons I believe we must reform the act to declare lobbyists' fees is because at times"—and then he interrupted himself and said: "Just take the referendum. Millions of dollars were put through the system by lobbying firms advocating a particular point of view and very little of that was known". That too was spoken by a member of the Liberal Party, the hon. member for Broadview—Greenwood.

Obviously, I am speaking of things that members on that side of the House agreed with when they were on this side. So let us stay with our principles and let us support these amendments.

I appreciate the additional time, Mr. Speaker.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, it is a pleasure to intervene in this debate. It gives me the opportunity, not having been a member of the committee or the subcommittee charged with the matters before the House today, to look back on earlier professional work in another capacity.

Clearly this has been an excellent committee and a really outstanding subcommittee. This is a thoughtful, well–reasoned report. It reflects great credit on members from all parties who did the necessary research which led up to the conclusions. It says a great deal for the capacity of Parliament to evolve as a living institution and about the sort of new responsibilities that committees are being encouraged to take on. My compliments to the committee, to the subcommittee, its chair and its members for the work they have done.

I believe the debate to date has been helpful, constructive and useful. Members of the opposition will pardon me if I make some suggestions on the preliminary definitional question.

The life of the law, as Mr. Justice Oliver Wendell Holmes reminded us, has not been logic, it has been experience. It is an error and perhaps the labours of Sisyphus, an eternal task that never reaches a conclusion, to attempt an a priori definition of lobbying.

I think it is best, as the bill provides, to try to reach an operational definition, a definition in logical extensity, and to say what types of activities are to be subject to disclosure or registration, rather than to attempt an abstract definition in advance. It will be, in the end, up to the courts—the courts in the regular sense, the judicial sense, and the court in the original constitutional sense, the high court of Parliament—to decide what is permissible and impermissible lobbying activity. Again, the effort to define in an abstract way is perhaps better redirected to spelling out in more detail the sort of activities one wants to cover.

When I was first a student of constitutional law, lobbying was viewed as evil per se, a reprehensible, nefarious activity. The attitudes changed, however, with increasing sophistication as to what the legislative processes are about and what parliamentary decisions in contemporary democratic societies amount to. That is to say that one is balancing competing social interests.

To do that job effectively one must identify those competing social interests. One must attempt some sort of quantification of the social value of those interests and that requires a detailed empirical record. One must then attempt to establish some sort of hierarchy of importance of the interests before leading to an intelligent, rational decision. The philosopher would tell you this is William James' conception of pragmatism, the pragmatic conception of truth. In constitutional law terms it is simply Roscoe Pound's sociological jurisprudence, the balancing of interests which is at the core of any rational judicial decision making today but not less of decisions within Parliament itself.

• (1115)

The United States pioneered legislation on lobbying many years ago. Its emphasis is on disclosure: the bringing out into the open of particular interest groups involved in any piece of legislation and trying to assess what the interest groups represent. Are the interests they represent substantial as distinct from merely vocal? Does the vocality or the degree of force with which they are expressed balance their representativeness in social terms and their claim to validity in the economic or other terms in which they are being debated? Therefore the emphasis on disclosure is the key element.

Every member of Parliament who does his or her job is subject to lobbying by various interest groups in the constituency or in the general region. Nothing is wrong with that. It really depends on the degree of control of the office and the degree of energy the member brings to putting the interest groups in proper perspective.

When companies or trade unions wish to meet with me I welcome them. If it is a company I want to read the balance sheet, the annual report. I want to meet with the officers. If it is important enough I want to visit the plant. I want to see potential competitors. All of us do this. We recognize the value involved and the good faith and integrity with which people approach this.

The only thing objectionable is covert lobbying, the covert exercise of pressure. I do not think for most of us this is what is involved.

Reference was made to the Pearson airport issue. I would have thought that was less an example of lobbying than an example of the public contracting process and how not to operate it. Very clearly one thing is that in the lame duck period of any government, as the concept has emerged in the United States, public contracting of a high level of community involvement should be avoided at all costs or exercised with extreme discretion.

I do not think it is an example of lobbying gone wrong. It is rather an example of the need to exercise extra control over public contracting when a government effectively has lost its mandate.

Putting it in proper perspective, the bill recognizes the reality that interest groups will bring forward their particular cause to parliamentarians; two, that they are entitled to do so; and three, provided they bring forward proper information, properly researched, and that members themselves exercise the necessary care of reading those reports, trying to make assessments, seeking further information from other independent sources before making any decision, it is a valid and necessary part of the gathering of information in aid of legislation.

Intelligent legislation demands that interest groups bring forward their claims and their causes. In that sense the committee has met the challenge and brought forward a thoughtful law that takes us a good deal along the way to solution of any problems that in the public domain might have been thought to exist.

As I have said, I have no problem with professional interest groups, with companies, with trade unions, with other groups that come to me. I have more problems with umbrella organizations that claim to represent whole segments of society. These are the hardest ones to catch in the scope of legislation such as this because their operation in the political processes comes not through this reasoned process of bringing information in aid of legislation but more in terms of social context. Maybe there is room for covering this. I do not see how we could do it in the present law without destroying the very careful work, the very precise set of ground rules the legislation has established.

• (1120)

Mr. Williams: What is the member proposing?

Mr. McWhinney: I am proposing that we adopt the law as it stands. It is a good law. Let us see how it works. We can always try one year later to do something more.

However, do not attempt to make a law that has a precise role and mission into an omnibus bill to cover just about everything else. Stick with the integrity of the law. Rest with the fact that in definitional terms of describing and identifying categories of conduct that must be registered this does represent an advance. The search for the a priori definition, cute as it may seem in the privacy of a member's own office, is not realistic in terms of the dialectical and empirical process that will operate as courts, parliamentarians and parliamentary committees react to this.

Again, I congratulate the committee on an excellent piece of work, the subcommittee in particular. It is a good law. In terms of comparative legislation it is an advance compared with similar legislation in other parts of the world.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, faced with a block of 22 motions like the one before the House today, I find it rather difficult to comment on every single one. What we have is two or three substantial motions, around which other motions have been grouped to provide more transparency, plus additional elements to achieve what Parliament has set out to do with Bill C–43.

To appreciate these amendments, including Motion No. 2, I think some background information might be useful to see what led Parliament to make this statement on influence peddling and lobbying. The Parliament of Canada has examined this question twice before. We had the Cooper committee's report in 1986 and recently, in 1993, we had the report from the Holtmann committee.

These committees looked into exactly the same aspects of lobbying as the present committee did today, in 1995. It is interesting to note that the Holtmann report published a series of recommendations, the first few being the most significant. These recommendations said, more or less, that for legislation like the bill before the House today to be truly effective, it would be necessary to remove all distinctions between lobbyists.

As you know, in the existing legislation, there are three types of lobbyists: the so–called Tier I and Tier II and a third group. There are in–house lobbyists, professional lobbyists and the others, organizations that lobby the government. The Holtmann committee concluded that lobbying was lobbying.

Whether people want to influence the government to obtain a contract, lower the rates in certain regulations, get a permit or obtain government assistance for their organization, this is all lobbying. People try to influence the government for their own purposes, for the benefit of the company for which they work or for the benefit of an association or whatever. In its first three or four recommendations, the Holtmann report said that distinctions between lobbyists should be eliminated.

• (1125)

I am sure you will remember this, Mr. Speaker. If I am not mistaken, the Liberals were to implement the Holtmann report from A to Z—this was a campaign promise made by the Liberals, by people acting in good faith, people who knew what they were doing in the enthusiasm of the moment—which means

that indirectly, and without exactly saying so, they made a commitment to eliminate all distinctions between lobbyists.

In committee, however, when I started to realize that Canadians had been fooled once again, I was very disappointed. I heard members who had been part of the committee that produced the Holtmann report say the exact opposite of what they signed when they tabled the report, with respect to these distinctions, for instance. There are a lot of other examples, particularly with regard to categories, which was the important element of the Holtmann report. It was not just anyone who was opposed. It was the people, who, today, hold fairly important positions in the government and who could influence it and talk it into meeting its campaign commitments.

But no. Throughout the whole time we heard witnesses in committee, some witnesses were in favour of eliminating categories, others were less so. The closer we got to the category of lobbyists capable of influencing government, in the back rooms of power, the greater the likelihood of their not really favouring the elimination of categories.

On the whole, however, the witnesses were in favour of greater transparency. We were sort of the guinea pigs in a new approach to examining bills and we were given a little more freedom. We were part of a pilot project, in a way, considering this bill under a new set of rules. We therefore did not adopt the principle of the bill at second reading, and, accordingly, we were able to broaden Bill C–43 from what the witnesses said and from the input of each of the parties. Members' work had to be given greater consideration, etc. It was all very fine.

Therefore, through a procedural swap and an exchange between members of the opposition and members of the government, we negotiated and we discussed, and I was ready to make a concession on the categories, so there would be only two instead of three. My first thought was to have a single category. However, it is better to bend a bit to achieve part of the desired objective than to risk missing it completely. So, I was ready to bend and to recommend to the members of the Bloc Quebecois that they support an amendment that would reduce the three categories to two. There would then be the category of in–house lobbyists (corporate) and professionals and the category of in–house lobbyists (organizations). All lobbyists would then be in two categories.

Before Christmas, this was accepted by just about everyone around the table. After Christmas, well, I do not know who had been making telephone calls, or what lobby had exerted influence or what, but everything was off. The amendments proposed to the committee were rejected by the government. Today, with Motion No. 2, the government could rectify the situation. Motion No. 2 now before us this morning is a carbon copy, or just about, of what I presented in committee in order to eliminate categories of lobbyists and have only one.

I do not imagine that anyone here has anything against lobbying per se. It does not matter whether organizations are non–profit or profit making, if they lobby in an attempt to influence the government, they have to abide by the rules.

• (1130)

To get approval for a single tier of lobbyists for all organizations, including community agencies, that is the purpose of clause 4(2) of Bill C–43, which I discussed earlier with respect to government initiative, which would eliminate people who might not agree to being recognized as lobbyists on the same terms as professional lobbyists. However, the government accepted the first amendment but did not accept what would have been consequential on the amendment, which was to have a single tier of lobbyists.

I have a few examples that will show why it is important—and when I say lobby, I mean lobby—to make C–43 a bill that has clout, that has teeth, as they say. There were organizations like MATRAC, for instance. I do not know if you remember this, Mr. Speaker, but when cigarette smuggling was going on in January and February 1994, there was an organization called MATRAC, a non–profit organization that sought to have taxes lowered. I have no objection to that. We in the official opposition were in favour of reducing these taxes. However, MATRAC initially gave the impression of being a non–profit organization. In other words, it worked for the benefit of its members and did not enjoy any immediate benefit.

It could be called a non–profit organization, which would come under the third heading in the bill before the House today. However, if we look a little closer at MATRAC, we realize that it was 100 per cent financed by the cigarette manufacturers in order to get taxes down. This is a clear instance of trying to influence the government on an important matter, tax revenues. Why have a separate tier for such a group? I am of the opinion that the act should deal with that by allowing a single tier of lobbyists. But no. I believe we must conclude that lobbyists on Parliament Hill have manged to influence the government with respect to a bill that was supposed to limit their influence. That is the obvious conclusion.

They made certain commitments with respect to the tier system before the election. Now they are in government, they can implement what they promised to do, but they are not doing it. In addition, that would explain why we could create just one category to make the process more transparent and to give everybody in this country the impression that they are all being treated equally. But no, the government did not do this. The lobbyists got involved, phone calls were made, and the Liberals buckled. They buckled like the Conservatives did and like others before them have done since Confederation. And they will keep on buckling until they are doubled over. I cannot wait to see the day that happens in the House. I mean I will no longer be in the House when that day comes, but will watch the spectacle from the outside.

One motion in this set of motions is extremely important, and that is Motion No. 7 regarding political affiliation. This is another amendment I proposed to the committee, and it would make it easier for taxpayers to identify which lobbyists are politically affiliated with the government or with any other party. For example, I helped organize party X's election victory. I would have to mention in my return that I contributed to the election campaign and that I was the political organizer of Mr. X or Ms. Y. I think that is what transparency is all about. What does the government have against making the process more transparent? I do not know. But if they were not against the idea, they would have included it in Bill C–43 and they did not.

I will conclude my remarks, for I see that my time is up. This is yet another good example of this government's double talk: one tune before the election, another after. Once again, taxpayers will have to foot the bill for this, and they still will not know why Bill C–43 was introduced, which was to make the process more transparent in order to obtain answers to our questions.

This has some implications for the Pearson issue. With Bill C–43, we will still be in the dark and will not know any more than what the newspapers have already disclosed regarding the matter. And that is deplorable.

• (1135)

[*English*]

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a privilege for me to speak on Bill C–43 and to support my colleagues in the House.

Rebuild trust in government, is that not a familiar term? In Manitoba last month I heard these words repeated because it is having a provincial election today. Mr. Mulroney in 1983 when he defeated the Liberal government of the day said we have to do away with corruption, rebuild trust in government, lobbyists are overdoing it, ripping us off.

The hon. member for St. Albert mentioned a 747 flying through a loop. The "Fifth Estate" about a month ago showed how two lobbyists flew 34 airbuses through the loops the Conservatives had put out. A couple of lobbyists have received $20 million. They can be identified by their accounts in Swiss banks. When I heard that I assumed we were to have a government that would crack down on stuff like this and we would be debating it in the House the next day. I have heard nothing about it.

Why do we want to pass the bill if we never want to do something about it by cleaning up the corruption? In Manitoba over the last month I heard about the terrible mess the Conservatives made of the health care system. They paid $4 million to an American lobbyist to tell them how to fix their health care system and they do not have one.

Why are we debating this bill? Why do we not have some action? We have had rules and regulations before. One very good example took place about a year ago in the subcommittee on transport. Every member, Liberal, Bloc and Reform, said to stop the backtracking. The backtracking issue over the last two years has cost us $60 million. We had total support from the committee to stop it. Who was lobbying the agriculture minister and the transport minister to continue with this? I talked with the railways and they said there was no way they had lobbied for it because they would be shipping grain regardless.

I talked to the wheat board people. They said they did not export grain and that it was the registered grain companies that did that. I talked to the grain companies and they told me it was the wheat board that insisted they do it.

I looked at the facts and found that we do not sell grain delivered to a foreign country. It is Appleby, Thunder Bay or Appleby, Vancouver. This backtracking has cost us $60 million. Are the American lobbyists lobbying our government to give them money to backtrack the grain so they can have it a little cheaper? This concerns me.

We are passing bills. We are passing rules and regulations but nobody seems to want to enforce them. What good are we in Parliament when we all agree on doing something and then have lobbyists change the system? Now the WGTA will correct it. However, we have allowed it to go on for two years and we knew about it.

I am beginning to wonder whether we should all stay at home and leave these lobbyists instead of sitting in Parliament day after day trying to pass regulations. I am sure we have laws on the books that would prosecute these people for ripping off the taxpayers, the only lobbyists we should be listening to.

On the last day in the House on the gun legislation, what happened to the three members who finally listened to the lobbyists in their constituencies and had the guts to stand up in the House and vote no? They have been muzzled, shut up. When that hit Manitoba there was a backlash which I believe blew the election for the Liberals. Why would we elect people who are not even allowed to get up in the House to speak their minds and represent their constituents?

They are some of the best backbenchers the Liberals have. I have worked with them.

• (1140)

It is very sad when we have to witness this day after day and our country is deeper and deeper in debt.

People who have the guts to get up and say something are not allowed to say it. It is time we realize that when there are amendments made that will be beneficial to taking corruption out of the system we should support them, not because they are made by the Reform Party or the Bloc, but because they are good for the country.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, no one on this side of the House fears recrimination for standing up and speaking out on issues.

Members have heard the Prime Minister say on many occasions that quite often we have a much better debate within our own party than we have in the House because sometimes the opposition does not get to the complexity and the depths of issues. The member who spoke previously really distorted this bill.

I was one of the most outspoken members in opposition on amending the Lobbyist Registration Act. There were three very specific areas we amended in this bill. I will talk about where I feel I did not get everything I wanted.

We have in the bill now things that make it much better. We now have in the loop all grassroots lobbying. That is important but was not a deal breaker for me. Another thing that really concerned me in opposition was communications techniques used by lobbyists. We knew lobbyists used polling and advertising. They sometimes spent millions of dollars in advertising and no one knew how the mood of the nation or the House was being affected.

This bill was amended to include a declaration of all those communication techniques so those in the House who have to deal with a lobby coming at them not just from a lobbyist but also from the way a market can be manipulated now know the techniques being used.

Mr. Hoeppner: What about if you used the lobbyists for input. What if the government wants the input from the lobbyists?

Mr. Mills (Broadview—Greenwood): I will come back to that. Let me state the three things in the bill which the member did not mention when he said this bill did not have any teeth.

Another thing in this bill has to do with contingency fees. The example the member used about the air bus situation, obviously it was not an hourly fee.

Mr. Hoeppner: Twenty million dollars, no matter what it is.

Mr. Mills (Broadview—Greenwood): That was obviously a contingency fee and in this bill there is a provision to look at contingency fees.

Mr. Hoeppner: Do something about it.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, the member keeps saying do something about it. We are saying that it is in the bill. He has to read the bill and he will see it is there.

I was a little disappointed with one area. I have been campaigning for six years on comprehensive tax reform. Five years later there is one little mention in the *Globe and Mail*. It is not easy to get things through the House and we do not always get everything we want.

There were some substantial amendments to this bill that I think go a long way in creating transparency. I felt uncomfortable about the declaration of fees. We did not get that one through, but it does not take away from this being a good bill.

I want to deal with Motion No. 7, which I am opposed to. It is a Reform amendment: "Past political or government work and political contributions over $1,000 shall be disclosed".

• (1145)

I am totally opposed to the Reform amendment.

Mr. Hill (Prince George—Peace River): That does not surprise us.

Mr. Mills (Broadview—Greenwood): Let me tell you why I am opposed to this. What we need to do, and you are eventually going to discover this—

The Deputy Speaker: The hon. member has been here since 1988. For the 400th time, I imagine, would he please put his remarks to the Chair.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, my humble apologies. In fact, I have been in this town since 1980 so I should know better.

I am opposed to this motion because I believe that as members of Parliament our greatest challenge is trying to attract people to participate in the political process. I believe that our responsibility is to attract—

Mr. Hoeppner: Your greatest challenge is trying to attract constituents.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, how tough. We all know how tough it is to get businessmen and women to knock on doors and get involved in the political process. It is not—

Mr. Bellehumeur: Ce n'est pas cela.

Mr. Mills (Broadview—Greenwood): I can tell you right now, Mr. Speaker, that probably not more than 40 or 50 members in the House can claim that they have more than 100 or 200 businessmen and women knocking on doors and doing polls or getting involved in their campaigns. They might come along and go to a fundraiser but they will not actually go out to do the real slogging.

A motion like this only discourages people from getting involved in the political process. One of the reasons it discourages people from getting involved is because we have a situation, regrettably, where because of the concentration of power—and most of the real concentration of power tends to be with the Conservative Party—quite often large corporations do not encourage their employees to get involved in the political process.

We all know what happened during the 1988 election when large corporations not only took out full page ads saying: "Vote for the free trade agreement", they also wrote letters to their employees saying: "Campaign for the free trade agreement".

Mr. Hoeppner: I thought you were going to change that.

Mr. Mills (Broadview—Greenwood): We made some pretty good changes to the free trade agreement. Do not forget that.

Some hon. members: Oh, oh.

Mr. Hoeppner: It was the wrong bill.

Mr. Mills (Broadview—Greenwood): Do not ask me to get involved in the changes that were made vis-à-vis the environment or labour standards. The point is that we did make some amendments.

The Reform Party amendment calls for past political or government work or political contributions over $1,000 to be disclosed. That works against getting people involved in the democratic process, not to mention the fact that it creates all kinds of paperwork. Absolutely nothing is hidden because the extent to which lobbyists have to register right now is 1,000 miles of improvement in comparison to the previous bill.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am pleased to speak in support of the reasoned, intelligent proposals and amendments being put forward by my hon. colleague from Elk Island.

Let us take a look at some of the situations being proposed by these amendments. First, we are talking about adding the names of everyone that the lobbyists attempt to influence to the list of the disclosure requirements. Quite simply, if a lobbyist is paid handsomely to achieve a desired goal, to win a contract, or whatever the case may be, we want to know whether that person has access to the minister, to the deputy minister or whether he is talking to the individual directors. We want to know to whom he is talking. Unfortunately the vast majority of Canadians do not have that kind of access to people at the decision making level.

• (1150)

I cannot understand why the government is opposed to this type of motion. It seems perfectly clear to me and to the Reform caucus that we want to know who is being lobbied by these high priced lobbyists. They have unlimited expense accounts. They can wine, they can dine and they can go on trips. They have money to acquire information. That is what a lobbyist does. All Canadians want to know how the money is being spent to try to win influence from a particular person.

I spoke earlier about the book *On the Take*. I would hope that nobody else is on the take from that point forward but we can never be sure. One story after another in that book is of people on the take, from riding presidents, to political hacks, to past employees, to friends, to the Mafia, you name it. They were all in it and they were all running around Parliament Hill rubbing shoulders, buying favours and currying attention that they were getting on many occasions.

When Canadians read that book and realize what has been going on they are shocked to the core that these types of things can go on in a democratic system such as Canada's. We are proud of our system. The system has to be opened up so we can see what is going on, so we can ensure that when these backroom deals, which benefit nobody except one or two people, are ferreted out, these people are held to account. It has to be prevented from happening again.

If we are going to hold our heads high in government, one thing that we want to be able to ensure is that all Canadians have faith in the system. That is what we are trying to do with these motions.

How about the motion to which the member for Broadview—Greenwood is so adamantly opposed? We are asking that lobbyists be required to report previous government or political employment, executive positions with a political party and if they have made a political contribution over $1,000.

That does not seem to be an onerous requirement, yet he is totally and adamantly opposed. He says it will discourage people from getting involved in the political process. That is exactly what we want to say. When people are no longer sitting in the House, the day after they are defeated, we do not want them involved in the political process.

After they have been defeated or have retired from politics we do not want to see them back on Parliament Hill talking to their friends and other people they know, saying: "I am now getting paid a large amount of money by some corporation to win influence from my friends with whom I used to work".

I cannot understand why the member for Broadview—Greenwood would be so adamantly opposed to such a situation. He has been around since 1980. He just said that a few minutes ago. That is 15 years he has been in the House.

Mr. Boudria: No, no.

Mr. Epp: He has been around here for 15 years.

Mr. Williams: Has he been a member for 15 years?

Mr. Epp: No.

Mr. Williams: I apologize. He has been a member of the House since 1988. No doubt he knows a large number of people because that is the way Parliament Hill works.

We want to know that the day he is defeated or retired from the House is not the day we find him back on Parliament Hill collecting an even bigger salary, working behind the scenes and currying influence from his friends. That is what we are trying to say. We want to discourage people from getting involved in the political process when they are no longer participating in the House.

A riding president, a member of the party executive have access to cabinet ministers, to the Prime Minister. If they do their jobs properly they win elections for cabinet ministers and the Prime Minister and for all the members of Parliament. They are volunteers. They work hard. We know the people in our constituency. No doubt that applies to every member in the House. Therefore constituency presidents and constituency executives have the inside track in contacting the people in power and we want to know if they are doing it.

• (1155)

Then of course there are those people who have money in their jeans and may feel that by giving a donation to a political party that brings their name to the attention of the member. No doubt the member is grateful for the contribution and some people may feel they can buy influence that way. All we are asking is that these things be brought out into the open.

Yet the Liberal government in its red book said it wanted to have an open and transparent policy on lobbyists. Now that the Liberals are on that side of the House they have changed their tune. We heard a quote earlier today by the member for Glengarry—Prescott—Russell who in 1991 said: "What's wrong with a system that would disclose fees and major reimbursements?" Now as the whip for the government side is he supporting our motion? No.

The Liberals have this double speak system. When on they were on this side of the House they said this is patently unfair. They held their hands up in horror and said that it had to be changed. Now when they are on the other side of House only mild, ineffectual, little changes are all that they propose.

We ask that the remuneration paid to lobbyists be part of the list of disclosure requirements. That is not a big thing. We have found out that there are millions of dollars changing hands to buy influence in this country. We would like to think that is the type of stuff that only goes on in other countries that have a much lower parliamentary tradition than we have. I do not want to make disparaging remarks about other countries so I will not name them. We know there are countries where bribery, money changing hands and currying influence is the order of the day and we want to ensure that in Canada that does not apply.

We want all Canadians to know that the system ensures that does not work. We ask that this bill require these contingency fees, if they are not a salary, which can be very large, be disclosed.

Again I go back to the Pearson International Airport fiasco where hundreds of millions of dollars are potentially being made or lost. Unfortunately it is the taxpayers who are going to lose and it is a small group of businessmen, including some Liberal people, who are going to win. All we want to know is who is getting paid what in this deal. It is not much to ask on behalf of the Canadian taxpayer who ends up paying, paying, paying and gets nothing, nothing, nothing.

We want to ensure openness, transparency, fairness. We want to ensure that the individual taxpayer who is paying the bill gets a fair shake. It is not much to ask but obviously beyond the capacity of this government to provide.

What else are we proposing? We are asking that anyone who receives funding from the government or a government agency discloses the fact, including the amount of that funding. Is the group itself doing the lobbying or has it hired a professional lobbyist? This is where we are paying government money to be lobbied to pay more government money. It has got to be the biggest insult of all to the taxpayer. The Liberal member from Wentworth has investigated some of these organizations and finds that by and large these groups exist to get more money out of government to pay their salaries so that they can come back and get more money out of government to pay their salaries. We are asking that this be made open.

• (1200)

I think this type of motion, which suggests we want to know whether government is paying people to try to get more money from it, should be out in the open. I cannot think of any real reason the government would be paying under that scenario. If it is happening, we want to know about it. As I understand, according to the member for Hamilton—Wentworth it is already happening.

The taxpayers are not aware of it. I am sure they would be lining up to get that kind of job, which would become self–serving and a continuing situation. They could go to the government and ask to be paid another $100,000 a year because they claim to represent *x* number of people. After receiving the money they could come back and ask what about next year, the year after, and the year after that. We are trying to stop that. We want to get it out in the open. These are the situations we are talking about.

I could go on and on. Let this government know they made a commitment through the red book. We expect they would live up to that.

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, I had the great honour to report back to Parliament an amended Bill C–43. I think it represented a most historic moment in Canadian parliamentary democracy. I believe it has improved parliamentary democracy. The process we adopted in this particular bill improved democracy greatly.

Bill C–43, an act to amend the Lobbyists Registration Act, was tabled by the Minister of Industry on June 14, 1994. As members know, it was immediately referred to our subcommittee, before second reading. That is before agreement in the House on the principles of the bill. I believe it was one of the first bills in Canadian history that has taken advantage of this new parliamentary procedure.

These new procedures have allowed a committee of backbench members of Parliament, including opposition members, to take a government sponsored bill and amend it to its liking with basically no restrictions on how far members of Parliament could change the tabled legislation. All the members of Parliament really tested the new procedure.

As chairman of the committee, I am very proud of the report we used and the powers we were given. Some of my colleagues feel they want more power. They wanted a greater opportunity to make changes. We listened very carefully. We worked as a team. I believe we produced a very good report.

I was very impressed by the wide–ranging and open discussions of the various views expressed by all members of Parliament. We had over 75 witnesses who testified before our committee last fall and into the winter. We had some very lively debates. We had more than 50 individuals and organizations who also submitted briefs before our committee. At the end of the day, I believe a majority of the committee enthusiastically subscribed to some of the important amendments brought forward by some of our colleagues in the opposition ranks.

I also believe that some of the opposition members came to accept some important improvements proposed by the government side. That is precisely what democracy is about and that is precisely what the new procedures were intended to achieve.

In summary, I believe the experience was very valuable. I encourage the government to continue to use this new committee procedure as often as possible. I believe it can only result in better legislation. By giving members of Parliament a more proactive role in drafting legislation, it can only further the people's confidence in our democratic institutions. I think that fostering people's faith in their government is very much what this process is all about. But as the report was entitled, it is rebuilding trust in our institutions. It presumes that over the course of the last eight or ten years some cynicism has crept into the system by virtue of activities of certain members of Parliament over the course of the last Parliament.

• (1205)

I see the members of our committee here today, and I am very impressed that all members are very committed to making those changes. We listened very carefully to members of both the official opposition and the third party when they put suggestions forward.

Let me summarize some of the key elements. In fact there were 13 specific amendments that I believe the government has accepted for this bill. Bill C–43 as it was originally tabled had improved certain amendments on the lobbyists registration. I believe that our committee made some additional improvements. We significantly enhanced the transparency, which is so crucial in breaking the cynicism that has been associated with the lobby industry. We have significantly strengthened the powers of the ethics counsellor. All lobbyists, for example, are going to have to indicate if they intend to use grassroots lobbying in their attempt to influence the government. This was not in Bill C–43 as it was originally proposed.

Consultant lobbyists will have to indicate if they are paid on a contingency fee basis. This is over and above the ban on contingency fees for lobbying on government contracts. Any organization that lobbies the government will have to reveal any amount they receive from any government. That is an important change.

The ethics counsellor, as part as of an investigation, will have the power to disclose information on fees and disbursements associated with any lobbying activity, not only on government contracts. I am particularly proud of this amendment because I think it gives a significantly enhanced new power to the important role of our ethics counsellor.

The ethics counsellor will not only have to report on the results of his investigations of a breach of the lobbyists code of conduct, but he will have to include the investigative findings, conclusions and reasons for the conclusions. That came out of the spirit of one of our colleagues from the opposition ranks.

Finally, the ethics counsellor will have to make a separate report once a year, which will be submitted to Parliament, on his activities with respect to lobbying.

Our committee has also amended Bill C–43 significantly as far as the lobbyists code of conduct—

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I rise on a point of order. I listened attentively to the hon. member who was chairman of the committee. However, I think that he should save his speech for third reading and I would ask him to deal more directly with the group of motions before us.

I am sure that he has interesting things to say, but I think that his speech today is totally out of context.

[*English*]

Mr. Manley: It is not a point of order.

[*Translation*]

The Deputy Speaker: Dear colleagues, I think that the hon. member for Berthier—Montcalm is right. We must focus on the amendments. I know that there are a lot but I think that, in the common interest, all hon. members should restrict their comments to the amendments before us. As the hon. member said, we will have an opportunity to go over all the issues at third reading.

• (1210)

[*English*]

Mr. Zed: Mr. Speaker, I have to remind my colleagues from the third party and the official opposition that I believe my comments do direct the larger issue. The larger issue is that at committee our colleagues in the Bloc and in the Reform had an opportunity to propose their amendments during that process.

On balance, I have listened very carefully to the suggestions that have been made by my colleagues, and, with the greatest of respect, I believe our new process has worked very well. Also, while I understand the suggestions and amendments our colleagues proposed, I believe we listened very carefully and made some significant amendments, in fact 13 in total.

I would respectfully suggest that we decline supporting those Reform and Bloc suggestions for the reasons I outlined earlier.

Mr. Epp: Mr. Speaker, I rise on a point of order. There have been some consultations with all of the parties, and I think you may find unanimous consent for the following two motions. First, Motion No. 9 be amended, so that it would now read:

That clause 3 of Bill C-43 be amended by adding immediately after line 44 on page 3 the following:

"(e.1) where, to the knowledge of the individual, the client is funded in whole or in part by a government, the name of the government or government agency, as the case may be, and the amount of funding received by the client from that government or government agency;"

By way of explanation, this just adds the phrase "to the knowledge of the individual". That is the first motion to amend.

The second amendment has to to with Motion No. 16. It is an amendment to the wording in the French. I regret that I am totally inept in the French language. Therefore, I would like to table that and perhaps prevail upon you, Mr. Speaker, to do the reading for me. I think it would do greater service to the language.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I believe the hon. member said that you would find unanimous consent. The Bloc Quebecois is not giving its consent to the two proposed amendments to motions, which deal more or less with the same matter. We are not giving our consent.

[*English*]

The Deputy Speaker: As we do not have unanimous consent, there is no point in reading the motion in French or in English. Accordingly, is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32 and 33.

Is the House ready for the question on Motion No. 7?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

• (1215)

The Deputy Speaker: Under Standing Order 76(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I thought we were supposed to vote on a group of motions. I notice that you are presenting the motions one by one. If we are voting on the version of Motion No. 9 that I have before me, I will vote against this motion. I thought this had already been settled by grouping the motions. Are we dealing with each motion separately and deferring the division until the end of the day?

The Deputy Speaker: The hon. member has raised an important point. If he will refer to the very long and complex decision made earlier, he will see that Motions Nos. 7, 9 and 21 will be voted on separately. That is what we are doing now. I think that if our colleagues show enough flexibility, we could now proceed with the vote on Motion No. 9 by unanimous consent.

Mr. Bellehumeur: The official opposition is against Motion No. 9, but I thought that it had been voted on at the same time as Motion No. 7. I now understand that you are dealing with every motion separately. I would ask for the unanimous consent of the House to go back to this vote because we wish to say that we are against this motion, so that the vote can be deferred until the end of the day.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Yes.

The Deputy Speaker: Then it is settled.

[*English*]

The question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

[*English*]

The next question is on Motion No. 21. Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

(Motion No. 21 agreed to.)

[*Translation*]

The Deputy Speaker: Motion No. 19 will be debated and voted on separately.

• (1220)

[*English*]

Mr. Ken Epp (Elk Island, Ref.) moved:

That Bill C–43 be amended by adding after line 2, on page 13, the following new clause:

"4.1. Section 8 is replaced by the following:

"8. The governor in council may designate any person as the registrar for the purposes of this act"".

He said: Mr. Speaker, it is a pleasure once again to rise to address the issues before us in Bill C–43 and this particular amendment.

I will respond briefly to the speech made by the chairman of our committee moments ago. We appreciated his leadership in the committee. It looked at first as if it were a good process. I now have some reservations about going to committee after first reading because in the end party discipline came to rule and we were unable to finish the way we had started.

So that all members have a clear understanding of the purpose of the amendment, it says the governor in council may designate any person as the registrar for the purposes of this act.

I want to make it very clear that what we are aiming at here is to have more accountability and less of the backroom politics which have plagued our parliamentary system. This distresses many voters and taxpayers. There are lobbyists who have in

some cases better access to the government decision making loop than the access enjoyed by members of Parliament. We need to take strong action in this matter.

Bill C–43, the act to amend the Lobbyists Registration Act, now with this amendment basically designates two individuals responsible for the administration of the act. One is the ethics counsellor. That discussion does not fit under this amendment so I will simply say he or she is one of the very important elements in the administration which has to do primarily with the ethics end of it. The other is the registrar. The registrar will be enforcing the compliance of the act with respect to registration and disclosure.

Once again, our goal is for the Canadian people to say they believe now those lobbying activities are transparent. They will be able to find out about them. They will be able to find out who is lobbying who, what they are being paid, what the conditions are, what their connections are.

There will be a good check and balance against the kind of corruption which can so easily enter the open government system. What is happening today is a public debate. People can hear it; not only members of Parliament but any member of the public who wants to hear what is happening in the House has the ability to do so. They can watch it on television, they can read *Hansard* or they can read media reports.

However, when it comes to lobbying, that is not public. Therefore we require a mechanism whereby lobbying is made open so that the taxpayers know what is happening just like they have the right to know what is happening here. In order to achieve that we need a system whereby the accountability of the registration system is also trustworthy. That is what we are addressing in this amendment. We are saying the appointment of the registrar should go far beyond being a civil service appointment. I am in no way casting any dispersions on any office holder here past or present when I say this.

• (1225)

There may be perfect honesty and trustworthiness in that position but people are suspicious if they do not have real input into the appointment. Many of these public service positions are filled without even proper information being given to the Canadian people. I know that information is available but it is not publicized.

We are dealing, as the title of the report says, with rebuilding trust. This amendment will provide that this be a governor in council appointment rather than a civil service appointment. It means there will be proper notice. It means there will be an actual public debate about the individual, his credentials and his trustworthiness.

The process of giving the governor in council appointment to an individual also gives more credibility to the individual. In other words, it gives him a little more clout. He will be able to with good authority investigate where there seems to be a violation of the act. He will be more than just a person who has a job to fill. He will have a public role because a governor in council appointee will have to report and account for the way things are done.

I cannot talk about the process extensively in this debate. However, I am disappointed in one thing, getting back to the process. We were given the impression that in committee at first reading there would be no problem with bringing forward amendments at second reading and at report stage which is where we are at now. We would have liked to bring in greater strength and authenticity to the position of the registrar. Because of this process, and this is one of the things now causing me to have second thoughts about its viability, we are prevented from going as fully in this direction as we would like.

We would have liked to had the registrar make a public report and have the appointment in public and also that there would be a way for the registrar to really go after people who deliberately try to circumvent the system of registration.

I am not sure the bill as it now stands will provide enough accountability and enough authority in the hands of the registrar to do that. I really hope it will happen. The way the bill is being written and without this amendment which strengthens that position somewhat I think we are leaving it to a great extent to chance which is not sufficient for the process we are looking at here.

The whole registration system as administered by the registrar must be open. I am very pleased to see that in our committee the recommendation is that there will be electronic access to the information so that as individuals want to find out who is lobbying who, that information which is registered will have a wider accessibility. That is a very positive part of the bill and one which I am sure all members of the House would support.

I want members of the House to apply their good common sense, listen to reason and support this amendment because it strengthens the authority and the position of the registrar, the position which is really pivotal together with the ethics counsellor in making these changes work.

• (1230)

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I was not going to repeat what I said at the beginning, in my introductory remarks on Motion No. 1, when I took a few minutes to explain why the Bloc Quebecois had taken the stand it took at the committee stage of this bill and describe the general attitude of the hon. members who sat on this committee. But in the light of the comments made by the hon. member for

Fundy—Royal, who also chaired the sub–committee on this bill, I will focus on the causes for my disappointment, since he is here to hear what I have to say, as will the minister opposite.

I repeat, I am disappointed with this new consultation process. The main reason for referring the bill to committee before second reading was to allow members to play a more prominent role and promote dialogue between the government and opposition parties to enhance the contribution of members to the development of legislation. The idea was to give opposition members the chance to express their views on the bill now before us.

Look at the changes to Bill C–43 as a result of this process and watch what will happen, at the end of the day, to the proposals made by opposition parties this afternoon. You will see that nothing changes. It comes to the same thing. So much so that when the minister appeared before the committee as our first witness, he told us that we had a free hand, that we were the best lobbyists there was to have the act amended, but he also gave us directions. While all his directions made it to Bill C–43, amendment proposals made at committee stage by the opposition, and the official opposition in particular, including twenty or so of my own fostering greater transparency, were all rejected. That is why I want to tone down this whole thing. I think we could revert to the old process, since this one is not much different anyway and comes to the same thing.

Regarding Motion No. 19, I must tell the sponsor of this amendment straight off that I agree in principle with his amendment. I think that Motion No. 19 serves the purpose of fostering greater transparency. This is a commendable goal and we, Bloc members, will work toward and support this goal. However, what stands in the way of this motion being adopted is much more a technical consideration. Let me explain.

Motion No. 19 seeks to amend section 8 of the existing legislation, the Lobbyists Registration Act. That act is in Chapter L–12.4 of the Revised Statutes of Canada. Section 8, which is under the heading "Registry of lobbyists", reads as follows: "The Registrar General of Canada may designate any person employed in the office of the Registrar General of Canada as the registrar for the purposes of this Act". Therefore, the section 8 currently in effect deals with the designation of the registrar. What does the registrar do? His role is to keep the registry of lobbyists. This is what the existing act provides. Based on its wording, section 8 designates the registrar.

Motion No. 19 reads as follows: "8. The Governor in Council may designate any person as the registrar for the purposes of this Act." The motion therefore refers to the Registrar General of Canada. The amended section in Motion No. 19 designates the Registrar General of Canada. But who will designate the registrar? As I said earlier, the underlying principle is good. Things would be clearer if the Governor in Council were the one designating the Registrar General of Canada.

• (1235)

This would ensure greater transparency. However, the amendment proposed by the member does not specify who will designate the registrar. Yet, this is extremely important, since the registrar is the one who maintains the registry of lobbyists. I believe the amendment proposed in Motion No. 19 is incomplete and thus we cannot support it, since it would create a vacuum regarding the implementation of the Lobbyists Registration Act.

There is a legal principle which says that the legislator does not intervene uselessly. The legislator does not make a law for no reason. This is even more true in this case, where the legislator is represented by all of us here. Parliament does not make legislation to poke holes in its implementation. I sincerely believe that, if we support Motion No. 19, we will poke a hole in the legislation regarding who will designate the registrars. If we are going to create problems by amending the current legislation, we should stick with the existing section 8 of the Lobbyists Registration Act.

As I said, the official opposition, the Bloc Quebecois, will oppose this motion, not because of its underlying principle, which we support and which has to do with ensuring greater fairness and transparency, but because it creates a vacuum in the bill. Consequently, we will vote against Motion No. 19.

[*English*]

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, it certainly is a pleasure to speak on Bill C–43.

I had the opportunity to sit on committee and participate in the discussions. The committee was very successful in putting forward a number of amendments that reflect what witnesses had communicated to it. The disclosure of grassroots lobbying and the disclosure of government funding for associations are just two of the many amendments which have been put forward with respect to Bill C–43.

Specifically on Motion No. 19, section 8 as it exists in our present legislation reads: "The Registrar General of Canada may designate any person employed in the office of the Registrar General of Canada as the registrar for the purposes of this act". Motion No. 19 attempts to amend that with the following: "The governor in council may designate any person as the registrar for the purposes of this act".

As the bill reads today, the registrar general is able to appoint a person that is employed in his office, a public servant. That public servant is bound by codes of conduct, Public Service Commission rules, Treasury Board, all of those provisions which ensure there is no political influence. There was no evidence in committee that political pressure had been exerted on this official, nor that the nature of the duties involved would make this likely. If these duties justify parliamentary appoint-

ment in order to ensure the independence of the registrar, then countless other government officials should also be made independent.

I wonder whether the hon. member with the intent put forward in this motion realizes that it already exists. There are provisions in the registration act where if we appoint a public servant, as is the present provision, that public servant is independent of any political pressure as the hon. member is alluding to because of the code of conduct that individual is bound by as a public servant. I am struggling with the intent of the motion. The opposition party did bring out a point which supported the fact that we would be unable to support this amendment.

• (1240)

I will comment briefly, as other members have done, on how the committee functioned. The new structure in committee gives members of Parliament a great opportunity to affect legislation. We were able to do that with this bill by putting forward 13 amendments. We can make changes and provide input which reflects what the witnesses asked us to do.

There will now be a legal obligation for lobbyists to comply with the code of conduct and explicit authority for the registrar of lobbyists to issue interpretation bulletins. These are all things that improve the transparency and improve how the bill and its application will function.

Let us look at the comments made earlier on how the intent of the bill was to improve transparency and the statement by the opposition parties that we are not doing that, we are not going far enough. Let us just take a moment to look at what we have done thus far.

The ethics counsellor who has been appointed will develop the code of conduct for lobbyists. As I said earlier, there is a legal obligation to comply. In keeping with the spirit of increased powers for MPs, we will have the ability to review the code of conduct by the parliamentary committee.

The ethics counsellor can investigate breaches of that code and submit a detailed report of each investigation to Parliament. This report can now include fees and disbursements that were paid. These are all things that lend to the transparency of how government works. Bill C–43 goes a long way in improving the transparency.

With respect to Motion No. 19, the assumption behind the motion is that the registrar is vulnerable to political pressures. I find the arguments somewhat confused because the registrar, as stated by the Bloc in an earlier comment, is responsible for the administration of the lobbyists registry. As I said earlier, there is and was not any evidence in committee that political pressure had been exerted on this official.

If we defeat this motion, as I hope the House will do, we will maintain in the bill the ability of the Registrar General of Canada to designate that public servant who is bound by the public service code of conduct to perform the duties required.

What did the committee do? The committee did strengthen the powers of the registrar. The person will have the formal authority to audit the information contained in any return or document submitted and to issue interpretation bulletins and advisory opinions. We have strengthened that position. We have done so to allow the bill to work more effectively and to allow for that transparency.

In summary, the registrar will have the authority necessary to ensure the effective implementation of the act. I hope that we will defeat Motion No. 19.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt Motion No. 19?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion, the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

• (1245)

[*English*]

Motions Nos. 22, 23, 25, 28, 29, 30 and 31 will be grouped for debate but voted on as follows. An affirmative vote on Motion No. 22 obviates the necessity of the question being put on Motion No. 23. On the other hand, a negative vote on Motion No. 22 necessitates the question being put on Motion No. 23.

Motion No. 25 will be voted on separately.

A vote on Motion No. 28 applies to Motion No. 29. An affirmative vote on Motion No. 28 obviates the necessity to the question being put on Motion No. 30. On the other hand, a negative vote on Motion No. 28 necessitates the question being put on Motion No. 30.

Motion No. 31 will be voted on separately.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): moved:

Motion No. 22

That Bill C–43, in Clause 5, be amended by replacing lines 27 to 29, on page 13, with the following:

"10.1(1) There shall be an Ethics Counsellor who shall be appointed by commission under the Great Seal after approval of the appointment by resolution of the House of Commons.

(2) Subject to this section, the Ethics Counsellor holds office during good behaviour for a term of seven years, but may be removed by the Governor in Council at any time on address of the House of Commons.

(3) The Ethics Counsellor, on the expiration of a first or any subsequent term of office, is eligible to be re– appointed for a further term not exceeding seven years."

The Deputy Speaker: We are debating a group of motions. I believe the Member for Elk Island had the floor to start.

[*English*]

I believe the member for Elk Island would like to ask for unanimous consent. Is that correct?

Mr. Epp: Mr. Speaker, I rise on a point of order. Though I would normally have the floor first, I seek unanimous consent of the House to have the floor granted to the member for Prince George—Bulkley Valley who would like to speak first on the motion.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Mr. Manley: Mr. Speaker, I rise on a point of order only to ask whether we will complete the moving of the motions grouped for debate in this case prior to commencing debate on one of the motions.

The Deputy Speaker: The Chair is obliged to read each of the motions in full because they have not been put on the public record before in the House. They are not very long.

● (1250)

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 23

That Bill C–43, in Clause 5, be amended by replacing lines 27 to 29, on page 13, with the following:

"10.1. (1) The Governor in Council shall, by commission under the Great Seal, appoint the person who has been recommended by a resolution passed by the Senate and the House of Commons to be the Ethics Counsellor for the purposes of this Act, to hold office during good behaviour for a term of ten years, but the Ethics Counsellor may be removed by the Governor in Council on address of the Senate and House of Commons.

(2) Notwithstanding subsection (1) the Ethics Counsellor ceases to hold office on attaining the age of sixty–five years."

Motion No. 25

That Bill C–43, in Clause 5, be amended by adding after line 37, on page 13, the following:

"(2.1) The Ethics Counsellor shall cause a copy of the proposed Code to be laid before each House of Parliament and shall not apply any proposed Code that has not been first approved by both Houses of Parliament."

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): moved:

Motion No. 28

That Bill C–43, in Clause 5, be amended by replacing lines 45 and 46, on page 14, with the following:

"(3) The investigation shall be conducted publicly."

Motion No. 29

That Bill C–43, in Clause 5, be amended by deleting lines 13 to 30, on page 15.

[*English*]

Hon. John Manley (Minister of Industry, Lib.) moved:

Motion No. 30

That Bill C–43, in Clause 5, be amended in the English version, by replacing line 23, on page 15, with the following:

"any findings or conclusions contained in a report under".

Mr. Ken Epp (Elk Island, Ref.) moved:

Motion No. 31

That Bill C–43, in Clause 5, be amended by replacing lines 35 and 36, on page 15, with the following:

"lor's conclusions and shall cause a copy".

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I thank the House for allowing me to speak to the bill and the motions.

We have talked in previous debate about the three–tier registration system for lobbyists. We have talked about increasing the transparency of how lobbyists operate. We have talked about increasing the authority and the autonomy of the ethics counsellor. I should like to focus my input on Motions Nos. 23, 25 and 31.

Reformers were sent to Ottawa to try to influence the way government operates in the House of Commons, a return to ethics, integrity and honesty in the way the House of Commons and different government departments operate.

In the eyes of most Canadians, politicians and government people in this plastic city, as it is called in my riding, are very much in question. The average Canadians has lost trust in government, lost trust in the bureaucracy of the public service and lost trust in the way the people entrusted to operate on their behalf operate.

I will talk about integrity and trust, in particular the portion of the bill that deals with the ethics counsellor. The ethics counsellor, according to Bill C–43, will develop a lobbyists code of conduct. I do not share the same concerns about how lobbyists operate. Having been in the marketing business all my life—and I was a pretty good salesman—I look upon lobbyists as salesmen. They are selling concepts or ideas to the government on

behalf of companies or interest groups. They are there to do a job. If they do a good job I am not uncomfortable with that.

However, the part of the bill I am uncomfortable with is how the people in trusted positions react to lobbyists, whether they be the ethics counsellor, the registrar or employees. Guidelines must be put in place to ensure people in positions of trust are not privately influenced by lobbyists. In other words, it has to be an open and visible process so the people of Canada and parliamentarians are able to see clearly what is going on behind the closed doors of the people in trusted positions.

I refer to the infamous Liberal red book or the red ink book, as we prefer to call it. The red book said that integrity in our political institutions must be restored. That is a very honourable statement but the proof of the statement must be in the pudding. How is integrity in our political institutions to be restored? That is the question people ask. It is fine, in the heat of an election, to make statements and even put them in writing. However following through on the statements is the most important thing a government can do and the most important thing the people of Canada are looking for.

• (1255)

When Canadians see a statement in the Liberal Party red book that it is going to restore integrity in the political institutions, they are looking for some proof of it. The proof is not there.

We have a situation where the Prime Minister can appoint an ethics counsellor. We beg to ask the question: Where is the integrity in that? It opens a door to many conflicts of interest. We in the Reform Party are firmly convinced that the appointment of an ethics counsellor, if integrity in our political institution is to be restored, must be approved by the Parliament of Canada. After all, every MP in this place represents the Canadian people. We were elected to come here and do a job. A position as important as the appointment of an ethics counsellor should be approved by Parliament as a whole.

There are some examples already in the 35th Parliament in support of the Reform Party's demand that an ethics counsellor must be approved after debate in the House of Commons. Let me go through a few.

Patronage is alive and well in the country and in the government. When the Prime Minister appoints another Liberal he says that he has to appoint Liberals. We question every day in question period the qualifications of some of the appointments made by the Prime Minister and his ministers. We say that they have the qualifications but we ask if they happen to be Liberal supporters, long time Liberal friends. That is a small example of patronage being alive and well. It is something the government said it was to do away with.

Let me quote some other examples such as the minister of heritage affair. In October 1994 it was revealed that the minister of heritage wrote a letter to the CRTC on ministerial letterhead in support of one of his constituent's applications. In our opinion it was a clear conflict of interest in as much as the minister of heritage is responsible for the CRTC. The Prime Minister in his wisdom called it an honest mistake. We questioned that. We asked how many more examples of perceived conflicts of interest can be written off by the Prime Minister as honest mistakes.

The Prime Minister refused to ask for the resignation of the minister of heritage as was demanded by many members in the House. He also refused to tell Canadians what the ethics counsellor had advised him to do.

On one occasion the Prime Minister said that he had talked to the ethics counsellor. Then he said he had not talked to him and then a staff member had talked to the ethics counsellor for the Prime Minister.

Under the present guidelines of the ethics counsellor we in the House will never know what happened in the minister of heritage affair. Canadians have seen a perceived conflict of interest swept aside with some talk about an honest mistake, that maybe he should not have done that but should have done this instead.

• (1300)

If we had an ethics counsellor, truly independent and responsible to Parliament rather than the Prime Minister, there would be a clear obligation on the part of the ethics counsellor to report an incident such as I have described to Parliament and there would be no question as to what happened.

We can talk about the post office scandal and the perceived conflict of interest between a Liberal senator and president of Canada Post and a developer. We can talk about the direct to home satellite flip–flop just discussed in the House the other day.

What we want in Motion No. 23 is to force the ethics counsellor appointment to be approved by Parliament and that he or she would serve 10 years. In that case the ethics counsellor would no longer be at the whims of the Prime Minister as to his appointment and removal. Setting a term limit would ensure he does not become entrenched in a self–made empire, which happens all the time in this place.

The red book promises an independent ethics counsellor. Under Bill C–43 he is not independent. This amendment would truly make him independent.

Motions Nos. 25 and 31 would require the counsellor to table his code of conduct to Parliament for approval and for debate. The counsellor would report directly to Parliament, not to the Prime Minister.

Motions Nos. 25 and 31—this is very important—create accountability, legitimacy and autonomy within the ethics counsellor's department. I believe these last three words, accountability, legitimacy and autonomy, are very important to this bill and I urge members to give their support.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I believe the group of motions we are currently considering is the most important, because it focusses on the essence of the problem and of the goal of transparency. The amendments, the motions presented by the opposition relate directly to this.

This is why I am extremely happy to see all the Liberal members and ministers listening very attentively to what I have to say. Let them take notes and they will realize that the objective of the motions put forward by the Bloc Quebecois, Motions Nos. 22, 28 and 29, is indeed in line with the purpose of Bill C–43 with respect to transparency.

I believe that, if we are really to convince Canadians and Quebecers that Bill C–43 does indeed increase transparency and is not some dubious undertaking, it will be with the help of Motions Nos. 22, 28 and 29.

Motion No. 22 concerns the appointment of the ethics counsellor. I do not want to go over this whole issue, but I think and I believe everyone across from me will agree that the elected representatives are the people who sit here. If someone is to report to somebody or account for something to somebody, anywhere in the entire system, it is to the duly elected representatives.

But they still have to be able to choose this person—the ethics counsellor. Bill C–43 gives a lot of power to the ethics counsellor. Some witnesses even told us that the ethics counsellor should be someone extremely powerful. Powerful for whom or for what, if we, the elected representatives have no say in the choice or in the appointment of this individual and, more importantly, if he or she is not required to report to the House and is not accountable to the elected representatives?

• (1305)

We are now being told that his job is to watch over parliamentarians' chastity. I would like to have a say on the kind of work to be done by this ethics counsellor. I would like to have a say on his appointment and his reports to the House.

As it now stands—and I think that most critics will agree on this—, Bill C–43 has no teeth. One of the reasons why this bill does not achieve the objectives set in terms of transparency is that the ethics counsellor will have to report only to the Prime Minister.

I see hon. members opposite shaking their heads in disagreement and indicating to me that Bill C–43 still provides for some safeguards. The ethics counsellor will release his findings. That is not enough. Not only do we have no say in his appointment, but the ethics counsellor will only justify his findings. That is the purpose of Bloc Quebecois Motions Nos. 28 and 29, which provide that the ethics counsellor must conduct his investigations publicly.

We must keep in mind that the ethics counsellor will act in matters involving public money. I would not say anything if the ethics counsellor could look at contracts involving two private individuals or companies. I do not need to know the circumstances, how much they paid for a given piece of land, or why the contract was signed. However, when one of the parties is the government, when one of the parties spends taxpayers' money and makes laws or regulations that will have an indirect impact on the population as a whole, I think it is a different matter.

When I sat on the committee, people told me that, even though I am a lawyer, I asked for things that even the Bar Association could not ask for. I reminded these people that, whenever the Quebec Bar Association investigates a lawyer, it is no longer a public but a private matter.

The ethics counsellor is responsible for reviewing an issue like the Pearson Airport deal, which everyone in this House is familiar with. This is not a matter between two private parties. The ethics counsellor will have to look go over the telephone calls, the letters, the contacts, the meetings. We could have had information. The people could have received information they do not have at this time.

I think that the Canadian people have a right to know what is being done with their tax money. We are paying enough taxes. I think we should know what our money is being used for. The only way to get to the bottom of this whole matter of lobbying would be through public inquiries. This way we would know which ministers and members of Parliament were involved and who contacted a particular civil servant. We need to know. It is not enough to go by findings on which the ethics councillor will base his conclusions.

Let me give you a very simple example. If the only part of court judgments to be released were the conclusions, whether at the Superior Court, the Quebec Court or another court, few people would be able to find grounds for an appeal. Basically, disagreement would be expressed regarding the conclusions. But why did the judge come to these conclusions? How does one know what the judge's decision is based on? To appeal a

decision, one needs to know who testified in the case, what they said, what evidence was introduced, what the charges were and so on. And where is all this information found? In the judgment.

• (1310)

Why the judgment? Because most of the time, perhaps 99.9 per cent of the time, trials are public. While private parties are involved, 99.9 per cent of trials are public and we get to know on what basis the judge made his decision.

This is plainly a public matter involving public funds, and the government, which claims to be transparent and which came up with Bill C–43 to show its hands were clean and it was fulfilling an election promise, introduced a bill whereby we will have no say in the selection of the ethics councillor and, moreover, we will never know a thing about his activities.

That is what this government is about, a Liberal government that cannot even manage to fulfil the simplest of promises made in its red book concerning transparency and lobbyists, when it had promised to implement to the letter the recommendations of the Holtmann report on greater transparency. I can see that what we are saying here is painful to them because it is the truth. This government is good at hiding problems without ever solving them. It is hiding something. Bill C–43 is further evidence of this.

You will understand therefore why these motions are so important and why the government is reacting this way to my comments. The fact is that we have put our finger on the real problem and the problem is over there.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I agree with my hon. colleague from the Bloc that this is undoubtedly the pivotal group of the items we are discussing today.

As I mentioned in my earlier intervention, the ethics counsellor and the registrar basically will be the people who administer this act and the revisions to the Lobbyist Registration Act. The ethics counsellor is undoubtedly the one who will make it work or allow it to fail. It will not be due to his or her work. Subsequently it could be anyone. It is possible their work could be undermined simply because this legislation is inadequate.

It is not really what the ethics counsellor does but the freedom he has which will determine whether his reports will be received with trust by the Canadian people or whether they will be suspect. This is what I am speaking about.

The word independence is mandatory here. Imagine a court in which a judge ruling on a matter is part of the family of one of the people in the dispute. I am not a lawyer but I think it is against the rules. A judge cannot sit on a case which involves a member of his family.

Liberals are in government but next time it will be the Reformers and then they will obviously have a need for an ethics counsellor. There should clearly be no connection to the Liberals. When Reformers are in power after the next election—I hear no objections so I take it the House approves of the idea—the ethics counsellor should have no connection to the Reform Party. There should be not only a perceived independence but an actual independence, or else the ethics counsellor will not be heard.

When is the ethics counsellor needed? Primarily when there is an item in dispute. If everything is tickety–boo, as we say, if everything is running smoothly, there is no need for an ethics counsellor. People are not suspicious and everything is fine.

The ethics counsellor comes into importance when there is a perception that something has gone awry.

• (1315)

In this Parliament, even after the Liberals ran under the platform of more accountability, more openness, more trustworthiness, a number of questions have been raised. There are really only two possibilities. Either the suspicions and accusations are accurate and something has gone wrong, or the suspicions and accusations are not accurate, which means the people involved are innocent of the suspicions.

If we have an ethics counsellor who is basically answerable to the government of the day and not to Parliament as a whole, nor to the people, then we will have an ethics counsellor who is totally unable to put the matter to rest. If there is something untoward and he is answerable to the Prime Minister, he now has lost his freedom to be totally open and honest in describing the situation. He will not be able to make his friends or his family look bad, so there will be a restriction there. If the people are innocent and he so declares, the public will not believe him. It will be perceived by the people—probably incorrectly—that he is part of a cover–up, he is part of trying to put the matter to rest without necessarily disclosing the truth.

I would like to remind the members opposite that I am not trying to persuade them of something they do not believe in. At least their words are that they believe in this. I would simply quote from the Liberal red book, quoted often here. I do not think we have any reason to distrust the integrity of the people who wrote this in their book as part of their election platform: "A Liberal government will appoint an independent"—I emphasize that word—"ethics counsellor to advise both public officials and lobbyists in the day to day application of the code of conduct".

That is the Liberal aspiration. Frankly, it is our aspiration as well. It is what Canadian people are asking for. If we agree, then I am sure we will have consent to the motions before us, which will provide that independence.

There are several of these motions here. The first one is really a choice we have between accepting Motion No. 22 or Motion No. 23, because they are very similar. Both provide that the ethics counsellor be appointed by governor in council but subject to the approval of the House of Commons and to be removed by the same authority, rather than just being an appointee of the Prime Minister with all of the implications of that closeness, answerable to him—a necessity to make him look good, a necessity to try to cover up. Whether it is true or not, it has that appearance.

The ethics counsellor must have a method of appointment so that there is absolutely no connection. He must be totally independent.

I want to move on, because the time is limited and we have a number of items in this grouping that I want to address. I would next like to talk briefly about the code of conduct itself, which the ethics counsellor will be administering. He of course is responsible under this act for developing the code of conduct and then administering it. I would like to say something about that code of conduct.

It is almost impossible to legislate goodness. Sometimes governments try to do that. I have said in public meetings, especially when we talk about gun control, criminals, and the Young Offenders Act, that there is probably not a law we can pass that will make people good. I believe that. However, we do have to have laws that will restrain those who are not good. That is the objective of a law.

• (1320)

When we think of the flaws in the human psyche we are trying to prevent here, it has to do with office holders and their relationship with lobbyists. If we are going to have a code of conduct that is going to be fair, that is going to satisfy the needs of the Canadian voters and taxpayers, that code of conduct also will have to have a certain degree of independence. There will have to be a development of that code that has a broad support.

I would like to recommend Motion No. 25, which says that the ethics counsellor as proposed now will be producing the code of conduct but that it will be approved by both Houses. Both the House of Commons and the other place will have approval of this code of conduct.

Indeed, I would even go further and say that it would be very judicious of us to give that code of conduct wide reading. It should be published in the papers so that the people know what level of expectations we have of ourselves. Then they can comment on it and we can get feedback from the people.

We need to provide for not only independence of the ethics counsellor but also independence of the code of conduct. That will come through open debate and free votes, as promised in the red book, on that issue in the House of Commons. So all members, if they see a flaw in the code of ethics, will have the freedom to move an amendment to it and to vote against it unless that amendment is made.

These are necessary things. They are absolutely mandatory. Without the acceptance of these amendments, the code of conduct, the ethics counsellor, the whole of Bill C–43 will essentially come to naught.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I would like to take a few minutes to respond to some of the things I have just heard.

I had something to do with the drafting of the 1987 report, the Cooper committee, the legislation that appeared afterward, and then of course the Holtmann committee, which reported to this House early in 1993.

The member across who just spoke is missing a few points. I know he is sincere in what he is doing and in what he is proposing. For that I commend him. I am sure he means very well. There is, however, something wrong with the logic of what is proposed by the member. The member is saying that only an officer appointed by this House and the other place could in fact be truly independent in terms of administering a code of conduct for lobbyists. There is something very flawed with that. Members will know that if that were the only test for independence of judgment then no judge in this country would truly be independent. If it were the only test for independence, then the director of competition policy would not be independent, and so on.

Of course members will say that one of the differences is that judges have tenure. That is obviously true, but it is not true of all positions where there are quasi–judicial bodies. Therefore the member is wrong when he says that only an officer of the House administers in an independent and non–partisan way. What he is doing, notwithstanding his obvious good intentions, and I credit him for those again, is creating and setting a stage whereby it will be difficult for anyone having this function to operate independently because of the aspersions that are cast perhaps even inadvertently today and in this debate.

There are a number of people who make rulings. I can think of the CRTC. I can think of the director of competition policy as one person who reports to the same minister. Does anyone say that these people operate in a way that is not independent? Does anyone suggest now that their judgment is tainted because they were appointed by the government?

• (1325)

In this case, the person was appointed by the government in consultation with the opposition. There has been that consultation. I remember the Prime Minister specifically mentioning it on the floor of the House. The consultation was made with the two opposition parties.

Someone was just heckling who obviously—and I will try to be kind—not having had the benefit of hearing the whole debate in this House today is pretending to be outraged by—

The Deputy Speaker: If the whip of the government is suggesting that the member who heckled him was not present for the debate, he knows as well as I do that is an improper statement. I would ask him to be more careful about what he is saying in the House.

Mr. Boudria: No, Mr. Speaker, I was not suggesting that. I was implying that perhaps he was not listening to my comments previously, for whatever reason. I will let the House decide what the reasons were; I did not attribute them.

The member, who was not listening to my remarks previously, for whatever reason, would know that in fact the government's effort in this bill, including the acceptance of amendments from the opposition and amendments proposed by the parliamentary committee, is evidence that we have tried as a government to get the input of all members of the House and from people outside to produce a good report to present to this House in an effort to get something unanimous. We wanted to get something that Parliament as a whole could live with in terms of a piece of legislation.

As critical as I was of the previous government, Mr. Speaker, as you will no doubt recall, you will remember that when we produced the bill that is presently the law of the land in regard to lobbying, I supported the bill in the end at third reading and recommended, as the critic, to my colleagues to do so. I thought it was important that whatever law we had on the statute books dealing with lobbyists be supported by all of Parliament.

At that time the New Democrats did not support it, and I thought that was wrong, because it was sending the wrong message. The message would have been sent, had I not supported it and recommended that support to my colleagues, that the law was inherently flawed and those administering it could never do a proper job. I do not think that was true, notwithstanding the partisanship that was there at the time. I know a little bit about being partisan.

Today we have taken that law that existed, we have taken the Holtmann committee report, which was unanimous, adopted virtually the whole thing in the bill that we have before us, and we have added to it amendments proposed by members of the Reform Party, government members, and people who have come to testify before the parliamentary committee.

We have added from where we started off, which I do not think was even a bad law. Yes, we said that five years later we had to redraft it, taking into account new situations and how the bill had worked.

[*Translation*]

However, I believe that a bill on the registration of lobbyists can only work if the members of this House want it to work. I personally think that this is a good bill and that the proposed amendments are appropriate. If the members opposite think about it for a moment, they will certainly come to the same conclusion.

An hon. member: The bill was improved.

Mr. Boudria: Mr. Speaker, there is no doubt that it was improved. Again, the hon. member may not have been listening carefully when I said a little earlier that we accepted amendments from the parliamentary committee and from the government, and that today we will even accept some from one of the opposition parties. We incorporated these changes to an existing bill, and we also took into account a report tabled in this House by a parliamentary committee.

• (1330)

That was a unanimous report. The member opposite may think that he has the monopoly on virtue. Good for him. However, those who were here during the previous Parliament also believed in what they were doing. Together, we proposed what we have today, and we even included all the amendments I mentioned earlier.

I believe this bill deserves the support of the House. When the bill comes back at third reading and when we vote on it, we will have to ensure that the ethics counsellor, who will be responsible for the application of all these rules, can rely on the support of all parliamentarians. Otherwise, it will mean that we sabotaged the bill ourselves. We have to make it work. This is about parliamentary integrity. This issue does not only concern the government: it concerns all of us in this House, as well as those in the other place.

[*English*]

We can make this bill work. The way to do it is to co–operate. We are not just dealing with an issue that involves government. It is Parliament, both houses of this institution. If we do not work together to support the bill, then I suggest it will not work and it will be the fault of those who have chosen not to give it their support.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, allow me to briefly comment on the chief government whip's comments before moving on to my comments on certain amendments or certain motions in amendment, in particular Nos. 22, 28 and 29 which were introduced by my colleague from Berthier—Montcalm.

The chief government whip has just talked about the co–operation, openmindedness, and responsibility that parliamentarians have regarding this bill. Let us put this into perspective.

First of all, we are talking about keeping better tabs on lobbyists. Let us not forget that the government manages and spends close to $160 billion annually. I think that it would be worthwhile to tighten the controls on those who influence the government's decisions.

He also told us that this is the responsibility of all parliamentarians and not just government members, the Cabinet and ministers. This is pretty well the spirit of the proposed amendments. The issue is having the House nominate the person who will be ethics counsellor, which is in line with what the whip was saying. In this case, we are told no; let us choose the person who will be answerable to the Prime Minister, not only to the government, but to the Prime Minister. And there, he went against what he was suggesting earlier.

The current debate seems in a way to be an attempt to get out of a commitment that they regret having made now that they are in power. One must understand party funding, for example Liberal Party funding, to understand that, once under the direct influence of lobbyists, it is less desirable to keep better tabs on lobbyists than it was when they were in opposition. A remarkable change in attitude.

An hon. member: And well noted.

Mr. Brien: And well noted, indeed. Regarding this issue, I would like to quote a few sentences from the red book. During our first months in this House, the first months of the election campaign—our ears were ringing with the contents of the red book, the famous red book. The book talks about the integrity of the government and the trust relationship between it and the population. The book says: "The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view".

I discussed this bill with some of my constituents and certain colleagues, and none of them feel that the bill changes this perception. On the contrary, because in the meanwhile, we noticed—some of us did our homework—that lobbyists had even influenced this bill in order to reduce its impact as much as possible.

And now, if I may, I intend to quote the Canadian Press which said that, according to information obtained under the Access to Information Act, it would show that lobbyists had stepped up the number of meetings during the months preceding the tabling of this bill and that some had vowed to start legal proceedings if the new legislation obliged them to disclose their political connections.

• (1335)

This was information obtained under the Access to Information Act, so it is not pure conjecture. In *La Presse*, there was a revealing headline: Lobbyists manage to get rid of constraints Ottawa would impose on them. The lobbyists came out as winners in the struggle around a bill that was supposed to regulate their dealings with the government. Now people opposite talk about restoring the people's trust. There is a serious problem.

Motion No. 22, standing in the name of the hon. member for Berthier—Montcalm, proposes to have the ethics counsellor appointed by the House and to make him accountable to the House. I think that is perfectly normal. After all, we are elected by the people, who put their trust in institutions, not only in the person of the Prime Minister, and they expect Parliament to have a say in these matters. The government is doing everything it can to avoid this, although the government whip was no doubt entirely sincere in his desire to empower parliamentarians and ensure that everyone feels bound by this bill.

The House has before it a number of proposals to improve a bill that is not bad but could certainly stand some improvements, but the government is reluctant to make genuine improvements. Why? Perhaps we should start wondering whom it may have met in the past few days, weeks and months. There may have been people who convinced it to change its mind and who had every interest in doing so.

Since this government came to power, we have had several cases that remain to be clarified. There is the Pearson airport affair. There was also the case involving the Minister of Canadian Heritage, and here we had a telling example of the powers of the ethics counsellor. Three weeks after the Prime Minister asked him for an opinion, he very discreetly took steps to cover the minister's tracks.

When all is said and done, the role of the ethics counsellor would appear to be to cover for the government in matters that raise some controversy. The ethics counsellor is used to make the government look good. They say: Look, the ethics counsellor said there was no wrong doing. The fact is, the ethics counsellor is accountable to the Prime Minister and his job depends on the good will of the Prime Minister. There is a serious problem here.

The motion moved by the Bloc Quebecois suggests appointing this person for a period of seven years. As a result, he will not always have connections with the party in power. There will be changes in governments, and that will give him a certain amount of independence. That will mean more power, particularly because he will not be accountable to anyone who could decide from one day to the next to dismiss him on the basis of the opinion.

Some information should be made more public and not simply left as conclusions of a report. He is asked to report on his investigations, but only the conclusions are made public. In some cases, it would very interesting to know more than just the conclusions, to know how they were reached. This is another important step in response to the wishes to the whip and the entire Liberal government, which has been saying since its election that it wants more transparency, that it wants political action to be as transparent as possible. The waters look pretty

cloudy to me, as if an effort is being made to create some confusion and prevent people from seeing the real picture.

I will not get into the whole question of the scandal surrounding the deductibility of lobbying costs. In the end, the public is indirectly paying the lobbyists to influence decisions according to certain specific interests. This warrants serious consideration.

It seems to me it would be in everyone's interest to make Parliament credible. It is also what the Reform Party would like to some extent and I think what the government whip would like, but his hands are tied—I think everyone is basically good, but on this, his hands are tied somewhat. People put their trust in individuals and in political groups and expect Parliament to play a role.

In this regard, I hope with all my heart that the government will support this amendment, which will give us a better bill in the interest of all taxpayers.

• (1340)

It must be remembered that the government spends $160 billion a year. This is a lot of money. We must make sure that this money is not spent in the interests of a few privileged individuals with good connections with previous, present or future governments, or even with corporations the government is closely connected to through their funding of political parties. These are the reasons why we must make sure we succeed.

I would like to quote Mr. Reisman, a committee witness who supports the recommendation made by my colleague from Berthier—Montcalm. He said: "If we get into the business of a code of ethics to govern the behaviour of the members of this industry, it ought to be kept out of partisan politics as far as you possibly can. I think one good way of doing that is to make the appointment an appointment by Parliament, rather than by the government of the day". There it is. The Bloc members are not the only ones to think that way.

This may not be a guarantee in itself, but it certainly helps, as he more or less suggested when he said: "You are more likely to get someone more objective. If he is appointed by Parliament, I think he should report to Parliament—which is the recommendation in any event—and be accountable to Parliament". There are other reasons why he should be accountable to Parliament.

So this seems to be a fundamental point on which everyone, including the government, should agree.

In conclusion, I expect this government will abide by its commitments. I hope they will not bring in a legislation simply to mask their change of heart when moving to the other side of the House. I hope they will meet the initial commitments made at the beginning of the election campaign and written in the red book, bible of the Liberal Party, and that they will support the recommendations of my colleague, the member for Berthier—Montcalm. These give the government an opportunity to respect its own commitments and restore the bond of confidence that existed between the Canadians and their institutions so that the ethics counsellor will not simply be a coverup for the Prime Minister, his ministers or government members when they get into difficult situations.

[*English*]

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I want to begin by talking about just how this code of conduct is developed, why and what happens to it.

Currently the code of conduct is developed in the same manner as it has been, but it is approved by the House of Commons. The ethics counsellor tables his report with the Registrar General. The Registrar General who receives this report is currently the Minister of Public Works and Government Services.

I have some problem with the ethics of that in itself because of a lot of the dealings I have had in this House with the particular minister who receives that report. I dealt with an issue just yesterday in question period with that minister. I question very much the avenues that were taken to disburse federal funds through a provincial road program. Even a member opposite called the disbursement of those funds misappropriation. I have a real concern with these kinds of reports going directly to a minister rather than to the House. After all it is the House of Commons that has to deal with the ethics, is it not, and not the Prime Minister or not a minister?

I want to raise another issue and that is an individual who is a member but is not a minister who I have long said should come under the auspices of an investigation by the ethics counsellor. Again I question. If you cannot be entirely ethical as a party or a minister how in the name of heaven does one get to receive reports from an ethnics counsellor and deal with them?

• (1345)

It is just not the right way to do it. All members of this House have the right to receive the reports directly. They have the right to make the appointments. They have the right to set the standards. I cannot comprehend why this government, after all the talk about ethics during the election, has turned around to table something which says that the appointments should be made by the Prime Minister and the report should be given to a minister. It is hogwash.

Why is it that the Liberals do not want the ethics counsellor to report to the House of Commons? What is wrong that we cannot understand that it should come to the members? If we can understand the longstanding traditions of a traditional party, the difficulty it has is that it does not trust itself or its own members.

It does not want to be put into a position of being embarrassed down the road.

I would like to say one more thing about the minister with whom I was dealing yesterday. I found out that there is a federal–provincial agreement on roads in Nova Scotia. I found out that the minister and the Minister of Transport deliberately made a deal to transfer moneys from a federal highway program to a provincial highway program. They made a deal on it.

Why did they make the deal? It happens that the money they wanted to take from the federal program is going to the minister's riding. The federal road they had the money for is considered one of the most dangerous roads in this country. The road the minister had the money transferred to in his own riding happens to be a road for tourists. It is a make work program. I have a great deal of difficulty understanding the ethics of that manoeuvre. So do the people of Wentworth Valley in Nova Scotia.

How on earth can I comprehend this government taking the very same reports from an ethics commissioner and giving it to the very same minister who made the transfer? Talk about ethics.

What happens if an ethics counsellor or an ethics commissioner in this person's government makes a report which chastises somebody from the government? The Prime Minister takes that report and downplays it. We in the House probably will not even get the report. The public will never see the report. On it goes. If he makes the mistake of divulging what is in the report, he gets canned. That is why this counsellor must report to the House of Commons and not the Prime Minister.

We can look back at all of the processes we have gone through on ethics in this House. For instance, there is the ethics having to do with patronage appointments. Time and time again the government talks about ethics and patronage appointments. What does it do day after day? It gives all its hacks, everyone it can, patronage jobs. The Liberal I defeated in my riding just got his plum. That is ethics over there.

• (1350)

Mr. Cannis: Wait until you see what is coming.

An hon. member: It has nothing to do with ethics. He is qualified.

Mr. White (Fraser Valley West): Mr. Speaker, the member says: "It has nothing to do with ethics. He is qualified". These folk only have to know the individual I defeated to find out if he is qualified. They should have had a good look at him. The difficulty with them is that they do not know what ethics are. How can an ethnics counsellor report to the Prime Minister when they have no idea what ethics are?

Suffice it to say one of the most important issues for Canadians today is ethics. Another important issue for Canadians is integrity. Politicians across the country suffer in the eyes of Canadians because they do not believe they have integrity.

There is an easy way to try to help the situation. The counsellor should be appointed by the whole House of Commons, not just that group. I question the ethics of some of its members and will continue to do so.

It is not good enough to legislate integrity. We have to believe in it. Will the government look at the amendments on the table and vote for them in favour of objectivity, in favour of integrity and in favour of informing the people of Canada in the proper way? Or, will it be business as usual from a traditional party and in some cases a traditional party that has already proven it has questionable activities, particularly the ones I mentioned before.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I would like to make a couple of comments.

An hon. member: Not her again.

Ms. Clancy: I am sorry my hon. friends are so disturbed and that my intervention might upset them. Given that the hon. member made comments about route 104, I thought it might be an idea to set the record straight about Nova Scotia. Being born there is not quite as good as growing up there and living there, although it is good to be born there and we are glad he was.

The Nova Scotia solution offers the quickest, safest and most cost effective redevelopment of highway 104 possible. The important issue is safety. I know the highway. We cannot lose sight of the necessity of safety because of those who engage in petty and partisan bickering.

By working in co–operation with the private sector the Nova Scotia government is protecting and promoting the interests of the taxpayers by levering private sector funds, by creating jobs and by providing for a safe and competitive transportation system. I think the people of Nova Scotia—I do not know about my hon. friend—deserve nothing less.

It is not about $26 million. It is about a $110 million project that runs right through Cumberland—Colchester. That is not bad from any standard.

• (1355)

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, Bill C–43 gives us the opportunity to ask ourselves: Who exactly is running this government? Is it the people through its elected representatives or is it private interests, corporate interests? The people of Canada are concerned. For a long time they called for a law governing lobbying activities on Parliament Hill, even before the arrival of Conservatives and Liberals, because they know that lobbyists exercise undue pressure. They know that patronage exists within the government, as well as waste and corruption. They know it, although they do not have

any concrete proof, but there are signs, gestures, and recent events that show without any doubt that lobbyists manage to extract favours from the government by undue pressure. For example, there is the Pearson airport case which involved millions of dollars, and even today the people of Canada do not know what the players, the lobbyists and the various interests actually did.

The case of the Minister of Canadian Heritage was mentioned. Although he is the minister responsible, he interfered with the CRTC and this, of course, raised the question of the role played by the ethics counsellor within the government, a person who was not even consulted by the Prime Minister in this case.

In the case of BST, a hormone developed by Monsanto, we read in the papers that this company had people, lobbyists, who met with officials of Health and Welfare Canada and offered some 2 million dollars to convince them to approve BST for use in Canada. These are but three recent cases among the very many which prove the abusive role of lobbyists in Canada.

I will come back to this with an even more distressing case.

The Speaker: It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members.

The hon. member will have the floor after question period.

STATEMENTS BY MEMBERS

[*English*]

BROOKE–ALVINSTON–INWOOD COMMUNITY CENTRE

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I would like to relate a success story in my riding of Lambton—Middlesex based not on government handouts but on true community spirit and the refusal to let a dream die.

On March 11 pledges from a variety of local service clubs for about $125,000 were announced toward the construction of additional facilities at the Brooke–Alvinston–Inwood Community Centre complex.

After no government grant money was available, organizers decided that the project would not go ahead if it meant an increase in tax dollars for local ratepayers. Instead, based solely on the generous contribution of thousands of dollars from a variety of service clubs in the riding, plus the donation of material, products and volunteer assistance, ground breaking will begin this spring.

This project exemplifies the rural community spirit that is alive and well in the riding of Lambton—Middlesex.

My congratulations to all participants in this very worthwhile community project, and a special mention to Doug Redick, chairman of the building committee, and Ian Lehrbass, the arena manager.

* * *

[*Translation*]

NATIONAL VOLUNTEER WEEK

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, in this National Volunteer Week, I am pleased to pay tribute to the 13 million devoted and dynamic men and women who have chosen to get involved in our society, particularly by helping those less fortunate.

However, it seems that the federal government has a whole other view of volunteer work. Whereas a brochure from the Department of Heritage highlights the importance of their action, the government has no qualms about drastically reducing assistance to volunteer agencies. Indeed, their budget is dropping from $1,066,000 in 1993–94 to $65,000 in 1995–96.

We, in the Bloc Quebecois, condemn this shameful decision. Not only did the federal government miss an opportunity to really support these groups, but it has also been indifferent to the have–nots in our society.

* * *

[*English*]

LEE BELLOWS

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, this past weekend I had the opportunity to meet a friend of mine, Mr. Lee Bellows of Moose Jaw. Mr. Bellows has been involved in the sport of rodeo for many years.

Lee Bellows is highly respected in Saskatchewan for his common sense and great wit. Mr. Bellows is also a cowboy poet. On his behalf I would like to quote a few of his thoughts:

What's your thoughts on gun control?
They ask, but they don't hear.
They run 'round "chicken little style"
and share with us their fear.
I've done a bunch of ponderin',
and its become plain to see
the controlling of my old rifle
would be the best if left to me.
Your logic misses the point, my friends.
Don't inflict your values on to me.
Life's different where the pavement ends
and you know what's bothering me
Well, I'll tell you with this rhyme,
You've went and gone and convicted me,
befor' I done the crime.

GUN CONTROL

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, at the Reform Party policy convention in October, 1994 the delegates passed two resolutions. First, if elected the Reform Party will introduce legislation by which the criminal use of firearms will be severely punished and the right of law–abiding citizens to own and use firearms will be protected. The amendments introduced to the Young Offenders Act by our party include stricter penalties for crimes using firearms.

The second resolution stated the Reform Party supports the rights of citizens to protect themselves and their property against criminal acts using all reasonable means and that the right to do so has priority over offenders' rights.

This resolution has been marketed to the gun lobby as the Reform Party's answer to gun control. It is a motherhood and apple pie statement that could only confuse the people who would believe this is a Reform Party position against the gun control act, yet another example of Reform Party pretence.

* * *

ARMENIAN GENOCIDE

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, yesterday, April 24, over 2,000 protesters rallied on Parliament Hill for the 25th time to remember and pay tribute to 1.5 million Armenian victims of the first major genocide of the 20th century. This genocide was planned and executed by the Ottoman Empire on April 24, 1915 as a brutal and final solution to the Armenian question.

The Permanent People's Tribunal in Sorbonne, France considered the Armenian genocide in April 1984 and ruled that it was an international crime for which the Turkish state must assume responsibility.

We must not allow the international community to simply dismiss Ottoman Empire crimes against the Armenian people. Benjamin Whitaker, a British writer, said if we cannot face yesterday's truth how can we ensure tomorrow's justice?

* * *

HUNGARY–SLOVAKIA TREATY

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, on March 20 of this year the Republic of Hungary and the Slovak Republic signed an historic treaty in Paris. One highlight of the treaty is an agreement between Hungary and Slovakia to refrain from the threat or use of force against one another's territorial integrity and political independence.

Another highlight of the treaty is the confirmation that the protection of national minorities and the rights and freedoms of individuals belonging to a national minority are a matter of international human rights. In this sense the problems of minorities are not exclusively an internal affair of states but rather a matter of legitimate interest for the international community.

This treaty sets an example for all the world. From African nations to the former Yugoslavia the world is witnessing a dangerous rise of ethnic conflicts. This treaty provides an example of what nations can achieve with negotiations, not guns; with discussion, not destruction.

* * *

[*Translation*]

GOVERNMENT SPENDING

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, five months after taking office, the federal Minister of Fisheries and Oceans won the award for claiming the highest travel expenses of all federal ministers. This piece of news had already angered taxpayers, who expected the Liberal government to keep its promises and stop wasting taxpayers' money.

Well, the Minister of Fisheries and Oceans has done it again, spending over $200,000 on redecorating and refurnishing his headquarters in Ottawa.

How can we let a minister spend so much money on fancy furniture, when his own government is cutting billions of dollars from social programs?

• (1405)

The Liberal government is asking the middle class and the most disadvantaged to make sacrifices in the name of deficit reduction, but is unable to eliminate the advantages enjoyed by the lucky few who are squandering taxpayers' money.

By acquiring this furniture, the fisheries minister is taking taxpayers for a ride.

* * *

[*English*]

CRIMINAL CODE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, Canadian parents and families are being threatened by a movement to repeal section 43 of the Criminal Code.

Section 43 presently permits parents and teachers to use reasonable discipline on children should the circumstances warrant. Repeal would reduce parental authority and replace it with state authority.

This government interference would undermine the integrity and viability of Canadian families.

Today in the news there is a case in London, Ontario of an American tourist charged with assault for spanking his 5–year old daughter. In Calgary a triple amputee mother was similarly charged.

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The justice and health departments have been reviewing section 43. The government has to come clean with Canadians as to its intentions. Polls tell us Canadians do not want more government interference in their homes and families. It is the parents who know what is best for their children, not interest groups, bureaucrats or so–called experts.

I call on the justice minister to reaffirm parents' rights to reasonably discipline their own children.

* * *

PAUL BERNARDO

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, I am sure all members of the House will join with me in opposing attempts by various media organizations to allow public viewing of the Paul Bernardo video tapes.

The public showing of these tapes would not serve the public interest. This is not, as the media claims, a matter of free speech. The Bernardo trial will be open to the media and to the public.

Attempts by the media to gain access to the video tapes are simply an effort to boost ratings at the expense of the victims' families. The families of the victims have suffered enough without having these videos broadcast. This is a prime example of tabloid journalism at its worst.

I hope the courts turn down the media's request. I call on the media to show some restraint and consideration for the feelings of the French and Mahaffey families. They have suffered enough.

* * *

ITALY

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, on April 25, 1945 there was no more bombing in Italy. People turned to the streets to celebrate the end of a cruel war which killed many people and destroyed many cities, villages and lives.

[*Translation*]

All wars are cruel and we always lose whatever the outcome.

In 1943, the Canadians landed in Sicily. Old Sicilians living in Vancouver still remember with gratitude the summer day when they were liberated by the Canadians.

On this 50th anniversary of the end of the war in Italy, I wish to thank the thousands of Canadians who liberated families like mine, ensuring the freedom we enjoy today. Many died but their sacrifice will not be forgotten.

[*English*]

Without the great sacrifice of our Canadian friends, European history would have had a different course. It is due to many young Canadians if today European countries can get united and try a united destiny in the name of freedom.

* * *

RWANDA

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, the world has just witnessed yet another horrific massacre of innocent people in Rwanda.

I believe I express the sentiments of most people when I say this situation is profoundly disturbing.

[*Translation*]

It is difficult to imagine societal circumstances that would lead individuals to commit such atrocities. The massacres in Rwanda are the perfect example of what can occur when we let a society develop in a climate of hatred and intolerance.

These killers show a flagrant lack of respect for human life. We should all draw important lessons from this massacre and think about our society's values.

[*English*]

No society is immune to intolerance or hatred. However, it can be measured by the treatment it confers to its minorities. Canada does not have an unblemished record but we do have before the House a bill which will help suppress an ugly side of our society. Bill C–41 will not protect the innocent people of Rwanda but it will stem odious acts affecting Canadians.

* * *

[*Translation*]

RWANDA

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, the massacre of thousands of Hutu refugees by the Rwandan army on Saturday raises many questions regarding the use of Canadian aid to Rwanda, which amounts to a hundreds of millions of dollars over the past 30 years.

There is a growing rumour that these funds may have been diverted and, in the light of disturbing revelations relating to the murder of Brother Cardinal, the government must reconsider its support and assistance to the regime currently in place in Rwanda.

• (1410)

Instead of being lax and complacent, the government must immediately check into this matter and release the findings of the special envoy it dispatched to the scene. Otherwise, one could wonder if the government is not backing, through its international assistance, a regime which has no qualms slaughtering its own refugees.

[*English*]

DOUGLAS CAMPBELL

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I rise to pay tribute to Douglas Campbell, a great Canadian and great Reformer, who passed away this week at the age of 99.

Mr. Campbell was elected to the Manitoba legislature in 1922 as a Farmers' candidate. He was later a cabinet minister in the Liberal Progressive government of John Bracken and served as premier of Manitoba from 1948 to 1958.

Douglas Campbell liked to quote from an old poem called *The Bridge Builder*. In his honour the Reform Party instituted the Bridge Builder Award. It recognizes special people who have pioneered the way to a new and better Canada and have built bridges to make the journey easier for those who follow.

Douglas Campbell was truly a great Canadian bridge builder. We pay tribute today to his wisdom, his public service, his faith and his memory.

Some hon. members: Hear, hear.

* * *

PENSION REFORM

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, a study just released by the Canadian Advisory Council on the Status of Women indicates that many of our country's middle aged women will be poor when they retire from the workforce.

These women, between 45 and 54, stayed at home to raise children, care for their spouses and in many cases their elderly parents, and volunteered countless hours in their communities. Because they did not enter or re–enter the workforce until their mid–thirties or early forties, their retirement benefits are very low. For these women the future is particularly bleak.

This study comes at a time when the federal government is about to reform the retirement income system. Ironically it is one of the last documents released by the council, its mandate having been ended with the last federal budget. As we well know, the social security reform process is really the Liberals' definition of slash and burn just like the Tories.

It is vital the government seriously take into consideration this very important information when it reviews options for changing Canada's pension system. The women who dedicated a good portion of their lives in caring for others deserve to live their retirement years in comfort and dignity. They do not deserve to be repaid for their service with a ticket to the poorhouse.

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MARINE CONSERVATION

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I would like to take this opportunity to convey to all members of Parliament who donated flags for the Cornish fishermen the sincere thanks and appreciation of Canada's High Commissioner to Britain, the hon. Royce Frith.

According to the High Commission office there was wall to wall press coverage in England: "In all our memory Canada has never had such a positive profile".

Through the combination of a minister of fisheries who was relentless in his defence of Canadian sovereignty and conservation, a Prime Minister with the diplomatic skills to strengthen that position and the cross party support of members of Parliament and Senators, Canada has taken a leadership role in the international community to preserve marine resources.

This was the message that Royce Frith received as he handed out the flags donated by parliamentarians to British fishermen and their families. He told each recipient where the particular MP was from and why they had donated the flag.

On behalf of the High Commission office I have been asked to tell all MPs who donated their flags they would have been extremely proud of the outpouring of affection and support for Canada. It was a moving experience and all who received the flags—

The Speaker: The hon. member for Vaudreuil.

* * *

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, like many Quebecers, I am getting more and more confused about the sovereignist option. With the Quebec Premier's pussyfooting and the Bloc Quebecois leader's countless about–turns, it is easy to lose one's bearings.

No one was fooled by the latest shift toward association. The common political and economic structures proposed by the Yes side already exist. What is the use of burning bridges only to rebuild them? Would it not be more effective, and especially cheaper, to upgrade and reinforce them instead?

Indeed, this about–face is just one more trick to win support for a separation plan opposed by a majority of Quebecers. Fortunately, while this infighting is going on among separatists, the federal government is tackling the real priorities: employment and economic growth.

Oral Questions

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

TELECOMMUNICATIONS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, this morning the federal cabinet postponed its decision on direct–to–home satellite services. For the time being, it preferred not to go ahead with directives that would benefit Power DirecTV by reversing a decision by the CRTC.

My question is directed to the Prime Minister. Why did his government intervene directly in this matter, supporting the interests of Power DirecTV, which is owned by Power Corporation, when Power DirecTV should have gone to the CRTC, the same as its competitor Expressvu did and, in fact, was obliged to do?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the CRTC's decision has been widely discussed, even in the media. For the benefit of the Leader of the Opposition, I may add that newspapers as diverse as the *Globe and Mail* and the Toronto *Star* gave substantially the same advice.

[*English*]

The Toronto *Star* reads: "Ottawa should endorse the panel's report without hesitation and instruct the CRTC to move quickly to let the competition begin". In the *Globe and Mail* we have similar advice: "The government acted in the public interest by creating the review panel, which did its work well".

[*Translation*]

Mr. Speaker, considering the position taken by daily newspapers as diverse as the Toronto *Star* and the *Globe and Mail*, perhaps the Leader of the Opposition would consider agreeing with the government's policy.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, am I to understand that the Leader of the Government refuses to answer himself because his son in law's interests are at stake?

I will nevertheless address my question to the Prime Minister. After all, he is the Prime Minister, Mr. Speaker. And this is a fundamental issue which concerns Canadian content and the future of international communications, am I right?

So now my question for the Prime Minister, if there is still one in this government. Would he agree that the retroactive impact of his proposed directives would have the effect of penalizing Expressvu which, unlike Power DirecTV, is able to provide all the guarantees for Canadian content prescribed by the CRTC?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is very unfortunate that the Leader of the Opposition seems to think that he has to get down to the level of personal attacks on the Prime Minister in order to deal with an issue of policy.

It is very clear on this issue that in the face of concerns expressed in the broadcasting sector by groups such as the Friends of Canadian Broadcasting, ACTRA, the Canadian Conference of the Arts and many newspaper editorials, they are all urging the government to act.

It would appear that in the mind of the Leader of the Opposition the government should not fulfil its responsibility to bring about good public policy because someone happens to have some relationship to a relative of the Prime Minister. Although that seems to be what is in the mind of the Leader of the Opposition, this government was elected with the responsibility for public policy. We are prepared to answer on the basis of good public policy and that is what we are doing. It is consistent with what the public is urging us to do.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, when a government is about to commit a violation of this magnitude of its arm's length relationship with the authorities that award licences involving millions and millions of dollars and one of the beneficiaries is related to the Prime Minister, it is perfectly normal that we should talk about it in the House.

Again, I want to ask the person who is supposed to act as Prime Minister and answer for the government's actions to say what excuse he has for the fact that his government is so ready and willing to interfere in a matter over which the CRTC has jurisdiction, when the same government refused to intervene at the request of the Commissioner of Official Languages to make RDI, the French news service, available to all francophones in Canada?

• (1420)

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, again the problem is with the preamble to the question. Let me remind the Leader of the Opposition of some of the things that have been written concerning this issue by parties which he should agree are disinterested.

The Friends of Canadian Broadcasting: "I want to inform you of our strong support of the analysis and recommendations of your DTH review panel. We endorse their findings without qualification".

The Canadian Conference of the Arts: "The Canadian Conference of the Arts was quite supportive of the creation of this panel to deal with the issue of DTH in the Canadian broadcasting

system in a fair and timely manner. The panel has now discharged its responsibilities and it is our hope that you and your colleagues will move with dispatch to direct the CRTC to proceed on an urgent basis with licensing hearings for DTH undertakings".

Some hon. members: Order.

Mr. Manley: I am sorry if the Leader of the Opposition is frustrated but this is what the world is saying out there.

ACTRA: "We have requested multiple copies of the report—"

* * *

[*Translation*]

OFFICIAL LANGUAGES

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Prime Minister. In his report, the Official Languages Commissioner deplores the difficulty that the federal government has providing services in both official languages. He says that this year's review of various offices shows that the situation leaves much to be desired, except in Quebec. All too often, service in the minority official language is mediocre if not non–existent.

How can the Prime Minister, who claims that francophones can live anywhere in this country and prosper, explain that year after year the federal government continues to fail to provide French–language service to francophones outside Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we received a copy of the Official Languages Commissioner's report today, and it says that the situation improved in 1994. I do not deny that we must constantly strive to improve the situation and that we must continue to monitor it. We have made staggering progress over the past 20 years in this area, and I am happy to see that the commissioner stated that 1994 was the best year yet.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, those who saw the commissioner at the press conference would say that, actually, he looked rather depressed.

Mr. Bouchard: He had every reason to be.

Mrs. Tremblay: How can the Prime Minister not be embarrassed by the fact that even in Ottawa, the nation's capital, 26 years after the Official Languages Act was passed, one out of three times a francophone requests a service, he or she cannot get it in French?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said earlier that the situation is not ideal and that it has considerably improved. The government's policy is to put pressure on all federal government bodies and offices to use both official languages when providing services to the public and to public servants in the national capital region.

* * *

[*English*]

QUEBEC

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, for months the Parti Quebecois and the Bloc Quebecois have insisted that they would settle for nothing less than the outright separation of Quebec from Canada, but a majority of Quebecers continue to reject that option. Now the PQ Government of Quebec says that it wants to explore the possibility of an economic and political association between Canada and an independent Quebec.

Will the Prime Minister tell this House and all Canadians what the Government of Canada's position is on so–called sovereignty association?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I said earlier and I repeat that if there is separation some day, to have Canadian citizenship, a Canadian passport, Canadian currency, a Canadian economic union and Canadian political union it is going to be the Parliament of Canada and the provinces that will decide. I am glad the leader of the third party mentioned that the real goal of the Bloc Quebecois is separation. They do not have the guts to say they are separating.

• (1425)

Some hon. members: Hear, hear.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I thank the Prime Minister for his answer.

Obviously, it is important that Quebecers know how the rest of Canada feels about so–called sovereignty association before any Quebec referendum this fall. It is also quite evident that Quebecers will not get a clear view of Canadian public opinion on that subject through the BQ or the PQ.

How does the Prime Minister plan to ensure that Canadian public opinion on sovereignty association is clearly registered and communicated to Quebecers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the only thing we have to tell Quebecers at this time is that the project being proposed is the separation of Quebec from Canada. Everybody in Quebec knows that Quebecers do not want to quit Canada. Even the Leader of the Opposition said that two weeks ago.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, as the Prime Minister knows, one of the most effective democratic mechanisms for registering and communicating Canadian public opinion on a constitutional question is a formally conducted referendum.

Does the Prime Minister see any place for a national clear the air referendum on these issues, particularly if the Government of Quebec continues to delay its referendum and to shift away from outright separation toward some fuzzier option?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not have to speculate on that. I just hope that the Parti Quebecois and the Bloc Quebecois will have the courage to ask the very clear question: Do you want to separate from Canada? The answer is going to be no, and there will be no need for any other referendum.

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[*Translation*]

FIREARMS

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice.

Yesterday, the Minister of Justice said that those who use firearms for sustenance purposes, particularly aboriginal people, will be exempted from the registration fees for their firearms, thus creating a double standard?

How can the Minister of Justice claim to be in a position to check if those who own firearms use them for recreation purposes or for sustenance purposes, particularly among aboriginal people?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, my statement yesterday was that the existing exemptions from the payment of fees for those who use firearms for sustenance will be continued in the new legislation. That statement is accurate.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, does the Minister of Justice recognize that, by exempting certain firearm owners from paying the owner's permit, he creates two categories of citizens and totally contradicts his statement to the effect that the law must be the same for everyone and must be implemented everywhere?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I find the premise of the question puzzling. We make categories in law all the time. We distinguish between kinds of firearms. We make exceptions for people who use firearms in their occupations, for example.

For many years in the criminal law we have provided that for those who use firearms for sustenance purposes. It does not talk about aboriginals. It talks about Canadians. Canadians who use firearms for sustenance purposes are exempted from the payment of fees. That, of course, is a common sense approach and one which we will continue in the new legislation.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the Minister of Justice is attempting to link the horrific situation in Oklahoma City with the firearms situation in Canada in a pathetic attempt to gain support for Bill C–68. I am appalled that the Minister of Justice would try to capitalize on such a heinous crime in order to drum up emotional support for his gun regulations.

• (1430)

In interviews yesterday, the minister defended the proposed firearms registry by saying that registration will provide information to police about whether someone is stockpiling firearms. Will the minister explain to the House how the firearms stockpiling in Oka occurred, how these prohibited firearms were acquired and how registration would have prevented this?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it was while meeting with representatives of the Canadian Police Association last month that the advantages of registration in identifying stockpiling of firearms was first brought to my notice. I referred to it yesterday because of its power as a compelling example of the advantages of registration.

As I said yesterday and as I firmly believe, if people are stockpiling firearms to create their own arsenal that is something the authorities should know about. We permit firearms in this country for good and legitimate purposes, whether it be hunting or farming. If someone has a collateral purpose and is stockpiling firearms that is something the authorities should know about.

Registration will enable the authorities to have access to that information. The police want it. I want to know why the hon. member will not support the police in the work they are trying to do to achieve a safer country.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, surely the Minister of Justice is not so naive as to believe that the registration of firearms will stop terrorist attacks the magnitude of Oklahoma City or the illegal importation of prohibited firearms.

I ask the justice minister why his government does not use the millions of dollars planned for the gun registry and reinstate the RCMP counterterrorist unit which was abolished three years ago if he has any information that firearms or weapons of any kind are being stockpiled in our country?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have succeeded at some measure already in this debate. We now have the hon. member referring to registration costing millions instead of billions. We are going in the right direction. Some of the facts are seeping through.

It is terribly important to deal with this issue on the facts. That is why I decry the efforts of the hon. member and his colleagues to distort the discussion with disinformation among the Canadian people.

The Canadian Police Association, representing 35,000 front line police officers across the country, has now joined with the Canadian Association of Chiefs of Police in asking the government to enact legislation including the registration of all firearms. They know what is in the public interest. They know it is consistent with public safety. Let us get behind the police.

* * *

[*Translation*]

DEPARTMENT OF JUSTICE

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is also for the Minister of Justice.

Twice this year, on February 10 and on April 5, the Minister of Justice was not able to explain why Quebec individuals and companies get barely 5 per cent of the total value of contracts for professional and special services awarded by his department since the Liberal government took office.

Will the Minister of Justice finally tell us why his department is only granting five per cent of the value of service contracts to individuals and companies from Quebec?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member is quite right to remind me of my undertaking to furnish that information. It is under review. The material will be forthcoming.

In order to satisfy the hon. member, I will determine overnight when I might expect to have the information. I will let him know in writing tomorrow when I will have it for him.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I appreciate the Minister of Justice's answer. While we are at it, could he also tell us why 99 per cent of the research contracts financed by his department are drafted in English only? Is this a demonstration that French speaking employees cannot work in French in his department?

• (1435)

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am not certain of the numbers to which the hon. member refers.

Mrs. Venne: We are.

Mr. Rock: I will add that to the list of assignments I will take from the hon. member to complete.

I am certain of the falsity of the conclusion he offers. The Department of Justice is very proud of its continuing tradition of offering services in both official languages and of the strength of the staff, both professional and otherwise, that we have in the department to serve Canadians in both official languages.

* * *

GOVERNMENT SPENDING

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, access to information has just revealed that the Minister of Fisheries and Oceans has spent over $200,000 for renovations and luxurious items for his Kent Street office in Ottawa, including over $7,000 for art work, $1,800 for a love seat, and some $254 for a brass nameplate.

My question is for the Prime Minister. In view of the economic hardship and belt tightening that most Canadians have to undergo and the Liberal red book promise to cut spending, will the Prime Minister justify the rationale for this outrageous spending by the Minister of Fisheries and Oceans?

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri-Food, Fisheries and Oceans), Lib.): Mr. Speaker, the expenditure for the renovations to the office of the Minister of Fisheries was not unreasonable, due to the simple fact that the office had not been renovated for a number of years.

The current minister of fisheries wanted to use this office at 200 Kent Street to conduct the department's business, unlike previous ministers who used their office on the Hill. What was done was reasonable. We also wanted to take advantage of the fact that the building owner wanted to do some repairs on the floor in order to do the repairs to the minister's office at the same time.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I am sure the average working Canadian will be very happy with that reply.

While the Minister of Fisheries and Oceans surrounds himself in luxury in Ottawa, he also finds it necessary to move and to upscale his ministerial office in St. John's, Newfoundland. Considering the fact that most Newfoundlanders are being forced to live somewhere near the subsistence level, will the Prime Minister explain to them and all Canadians the rationale in the costs involved in moving the minister of fisheries' office in St. John's to a fully renovated and more opulent surrounding?

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri–Food, Fisheries and Oceans), Lib.): Mr. Speaker, I have a hard time believing that the members of the Reform Party would use this as an opportunity to attack the minister and undermine his credibility. After all the minister has done to defend the interests of Canadian fisherman of late, I would think the members of the Reform Party should applaud him.

Some hon. members: Hear, hear.

Mr. Robichaud: The St. John's offices were moved to another building according to standard procedure, which requires a call for tenders and selection on the basis of the best service at the best price.

* * *

FRANCOPHONES IN KINGSTON

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Prime Minister. Last year, we learned with dismay about the setbacks experienced by francophone parents and students in Kingston, who were prevented from building a French language high school. Because he wanted to make Kingston the showcase of Canadian bilingualism, the Prime Minister personally promised in May 1994 that a high school would be built as soon as possible.

Given his promise to Kingston francophones, how can the Prime Minister explain that, one year later, nothing has been settled in this matter?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we said at the time that the situation in Kingston would get straightened out and that a high school would be built.

• (1440)

Decisions were made in this regard and, according to the information available to us, there is no problem at this time. A piece of land has been agreed on but the school must be built. It cannot be done in just one week, it will take some time. However, all the administrative problems have been solved thanks to the close co–operation among the federal, provincial and municipal governments.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the reason there are no problems is that there is no school yet.

There was such close co–operation with Kingston that new problems surfaced again yesterday, in that children of French speaking members of the military would now be required to go outside the military base to attend a French language school.

Does the Prime Minister intend to come to the defence of the young people who would be required to go to a different school, thus preventing another act of discrimination against francophones in Kingston?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, education on Canadian military bases was the responsibility of the Department of National Defence until 1987 when agreement was reached to discontinue that. There have been accords with various provinces to phase out DND's role of being responsible for education.

It is the province of Ontario that is responsible for the school boards. It has made a decision which it considers to be practical. It is one which we do not agree with, in light of the discussions that have gone on in the House. To make the military college in Kingston a welcoming place for francophones is something I intend to take up with the educational authorities in the province of Ontario.

* * *

TRADE

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Minister for International Trade.

A United States congressman has proposed legislation which would impose sanctions against countries trading with Cuba. This could threaten approximately $.5 billion in Canadian exports to the United States.

What is the government doing to protect Canadian trade interests with both Cuba and the United States?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, clearly Canadian interests would be adversely affected if the bill were to be implemented as it is currently drafted. For example, if enacted the provisions of the bill would violate the obligations on the United States in both the NAFTA and the new World Trade Organization. We have, therefore, protested most strongly to the United States.

As my colleague, the Minister of Foreign Affairs, has made abundantly clear, we have no intention of accepting the United States' attempts to impose on third countries its embargo on Cuba.

Finally, Canada, along with countries of the European Union and in the western hemisphere, have protested most strongly to the United States, to the state department, to the administration, and in my own case to the U.S. trade representative, to register our strong opposition to the present bill.

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ATLANTIC GROUNDFISH STRATEGY

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, 12 months ago the government introduced the $1.9 billion Atlantic groundfish strategy. First the government underestimated the groundfish stock and the number of people who would be thrown out of work. Next it underestimated the staff needed to process the claims and counsel the unemployed. Now

I understand that the government has underestimated the amount of money required for TAGS by some $385 million.

Could the Minister of Human Resources Development assure the House that this program will stay within its already hugely inflated budget?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the question comes at a very appropriate time. It gives me the opportunity to point out to the hon. member and other members of the House that up to this point, with the program in place a little less than a year, we have already been able to process over 38,000 applications for assistance from the groundfishery.

Over 25,000 of those people have received direct counselling to look for alternative options. We have over 14,000 people placed in training programs, of which 4,000 are taking direct literacy programs. Several hundred have started their own businesses. Several hundred are now working on a number of green resource conservation projects. Several hundred have been able to get work in other areas.

• (1445)

In other words we are demonstrating that while we are facing a major tragedy, the collapse of the fishery, the federal government through the support of unions, business and certainly the people of the Atlantic provinces and Quebec is showing that Canada can respond by giving people some real hope when they face that kind of calamity.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the question is whether or not it is going to stay within its budget.

Failure to identify a sustainable fishery has created great uncertainty for the same TAGS recipients. Everyone hopes they will be among the lucky few to get work if and when the fishery recovers, but it is cruel of the government to hold out false hope. At the same time as Atlantic fishermen struggle to feed their families we see the minister of fisheries spending over $200,000 on office furnishings.

I have a supplementary question. Everyone knows fish stocks will not have recovered within five years. What is the government's plan for the fishermen following the end of TAGS?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member had quite a mouthful to get out. I will try to answer very simply.

First, the program will stay within budget. Second, fishermen who are facing the end of the fishery are now successfully making a transition to new jobs, new opportunities, through the help of their federal government. Third, we are helping to create a new economy in the Atlantic provinces and eastern Quebec to demonstrate that while fish is a very important staple the country can go beyond that and add new products, new services and new opportunities for Atlantic Canadians.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is for the Minister of Defence.

We know that Quebec is being shortchanged by $650 million each year in the distribution of defence funds. In a recently televised report on this unfair distribution of military spending, which appeared on Radio–Canada's *Enjeux*, the minister indicated that total fairness was a luxury his government could not afford.

How can the minister be so ill–advised as to consider treating Quebec fairly to be a luxury?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): As often happens, the hon. member did not quote the full remarks I made on the television program, Mr. Speaker.

Obviously defence expenditures are not balanced equally across the country because of the staging areas that we used in the second world war and the fact that certain areas lent themselves to the building of infrastructure.

However I pointed out in the same program that the province of Quebec generally leads the country in its share of defence capital acquisition expenditures and probably will do so in the future when the new defence acquisitions are announced.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, you will agree with me that as long as Quebec remains part of Canada, it is entitled to its fair share.

Are we to understand that the minister is perfectly content with this custom of penalizing Quebec both in terms of representation at senior military levels and in terms of military spending and does he recognize that it would have been fairer to Quebec not to close the Royal Military College in Saint–Jean?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, what I have said, and I said it on that program, is that defence expenditures are not an instrument of equalization. There are other programs of the Government of Canada to attain those objectives.

I did say that in any capital program we do our best to ensure there are regional benefits, that all regions of the country benefit proportionately.

I underline for the hon. member that much of the defence industry is located in the province of Quebec. If he checks the records he will see that much of the capital spending that has been engaged in by ministers of defence in the past has been on industries located in his province.

I do not expect that to change.

* * *

• (1450)

TOBACCO EXPORTS

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, we have learned that a trade mission to the Far East last year led by the Governor General and the agriculture and international trade ministers also included representatives from the Tobacco Industry Marketing Board and was designed in part to promote the sale of Canadian tobacco products in that market.

Will the minister of agriculture confirm that he believes the Canadian government has no problem promoting the export of tobacco?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the Government of Canada has significant programs in place in conjunction with the provinces, most particularly the province of Ontario, to encourage agricultural production away from tobacco through our tobacco diversification program.

Since the implementation of the tobacco diversification program in 1987, the number of flue cured tobacco producers in Canada has decreased by some 44 per cent and the number of producers of burley, pipe and and cigar tobacco has decreased by about 80 per cent. It is obvious the program is working.

Nevertheless it must be noted that tobacco production is legal in Canada and tobacco producers must be treated fairly along with all other Canadian farmers. If the hon. gentleman holds a different point of view, I suggest he go to Delhi, Ontario, in the constituency represented by the chairman of the House of Commons Standing Committee on Agriculture and explain to the farmers of Delhi his views with respect to tobacco production and what he would do to compensate the farmers for the kinds of losses he is proposing.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, calling a spade a spade, tobacco companies go overseas to find other markets to sell tobacco, not something else.

The Minister of Health has said in the House that she would do anything to prevent even one person from taking up smoking. As the minister knows, representatives of tobacco companies freely distribute their products to nightclubs overseas in an attempt to get young people addicted.

Does the Minister of Health support the practice of the government in aiding tobacco companies to promote smoking overseas?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are doing everything in our power to help people overseas, as well as people in Canada, to sensitize them to the dangers of tobacco.

Next week I will be in Geneva at a World Health Organization conference where we have put on the agenda the problem of smoking in the world. It is very important for the member to realize the effort the country is making in sensitizing people around the world.

* * *

CHILD SUPPORT

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Last week a Conservative MLA in Alberta criticized the child support system for producing deadbeat dads and vindictive leech moms. Statistics show that single custodial mothers and their children are the most likely group of Canadians to live in poverty.

How will our government ensure parents properly support their children no matter where they live in Canada and no matter who is the custodial parent?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, within coming weeks the government will introduce measures that will deal with child support to improve the present system in three important ways.

The first will have to do with the method by which the amounts of child support are determined. At present that is left to the uncertain and expensive process of litigation. We will propose that such amounts be fixed by regulation on a statutory guideline or formula geared to income.

The second element has to do with the tax treatment of child support both in respect of the consequence for the payor and for the recipient. Since the budget of 1994, and indeed since the judgment of the Federal Court of Appeal in Thibaudeau a year ago, that has been a matter of both public consultation and careful consideration. We will be making the position of the government clear on the issue in the weeks ahead.

The third has to do with enforcement because the proper amount with the appropriate tax calculation is meaningless unless the order is actually paid.

• (1455)

I am working with my colleagues, the Minister of Human Resources Development, the Minister of Finance, the Minister of National Revenue and the Secretary of State for the Status of

Women. We will include in our proposals a national strategy for the enforcement of child support orders to ensure that those who are required to pay, support their children.

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[*Translation*]

IMMIGRATION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Canadian embassy in Paris refused to deliver a visitor's visa to Hafsa Zinaï Koudil, an Algerian film producer who was scheduled to present her film, "Le démon au féminin", this week at the Festival Vues d'Afrique, in Montreal.

How can the Minister of Citizenship and Immigration justify rejecting the application of this Algerian filmmaker who already received a death sentence from fundamentalist groups because of her film, which precisely denounces the rise of religious fundamentalism in Algeria?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, we received one million applications from people all over the world who want to visit our country and we accepted 85 per cent of them.

[*English*]

It is nearly impossible for anyone to be responsible for all the applications. They number almost one million and 85 per cent of them get approved. Obviously one needs some degree of flexibility with respect to visa officers.

If there is something special or particular about the case I do not mind looking into it, but I do not want to make it a habit so that all visa applications are automatically reviewed by a minister.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I still do not understand why the application was rejected. I wonder how the minister can justify his officials' decision not to grant a visitor's visa to this filmmaker, considering that, last week, he himself deemed appropriate to deliver a minister's permit to Randall Terry, the leader of Human Life International, who just served a five-month jail sentence in the United States, which clearly makes him ineligible to enter Canada. Is there a double standard?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, in the case of the refused applicant in Algeria I asked the member if there was anything special or particular about the case that he wanted me to look into.

The person in question has not granted permission for people to look into her file. Therefore I am very mindful and respectful of the privacy she wishes applied to her case.

* * *

ENVIRONMENT

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my question is for the Minister of the Environment.

Over the Easter recess a United States appeals court overturned its 18-year ban on the lead replacement MMT in automobile gasoline. It is understood that in the next short while the minister plans to do the exact opposite and ban the octane enhancer.

What impartial evidence does the minister have that clearly indicates MMT is harmful to the environment?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the U.S. court of appeal did not deal with the substance of MMT; it dealt with the process.

The Environmental Protection Agency of the United States has no intention of licensing MMT for use. We do not want to see Canada and Bulgaria being the only two countries in the world that continue to allow the particular additive, unless the Reform Party member would like to see the cost of Canadian automobiles increase by approximately $3,000, which is what will happen if we do not get MMT out of the Canadian gasoline industry.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, my supplementary question is for the Minister of Industry.

The industry minister clearly knows that the oil and gas industry and the Motor Vehicle Manufacturers Association are on opposite sides with respect to MMT. He knows that the only wise course is to bring in a neutral third party evaluator.

How can the minister justify to the oil and gas industry that banning MMT without any impartial evidence is indeed harmful to the environment, the health of Canadians or any of the new cars?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am delighted the member is aware of the importance of the automotive industry to Canada. He will know, for example, that Canadian producers account for about 17 per cent of automotive production in North America, whereas we only consume about 10 per cent.

• (1500)

Key to that is uniformity of standards between the U.S. and Canada. The member will know that MMT is not permitted in the United States by legislation. It is crucial that we have

uniformity of standards. The effort we put into trying to ensure there was a voluntary agreement between the two sectors has been well placed, but finally governments have to decide.

* * *

HEALTH CARE

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Prime Minister.

The Prime Minister will know there is great concern across the country about the transfer of health and social programs, the transfer legislation. There is no doubt, given that federal funding under this legislation will end in 2005, that people are rightly concerned it is the end of a national health care system.

Would the Prime Minister put a moratorium on this transfer and ensure that public hearings are held across the country on this issue?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I think the hon. member's question does not really put forward the fact that the new transfer payment gives the federal government a much greater and stronger ability to continue to ensure the basic principles of the Canada Health Act are maintained by consolidating the cash transfers under the three programs into one solid fund. It used to be given separately for health, education and welfare. We now have the continuing ability to ensure that leverage is exercised and to make sure the accountability under those five principles of the Canada Health Act and the residency requirements of the Canada assistance plan are maintained.

Contrary to what the hon. member is imputing in her question, the transfer payment strengthens the federal ability to ensure the responsibility of the provinces to live up to those national principles.

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FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, the Reform member for Prince George—Peace River seems to think the government should just abandon the fishing families of Atlantic Canada. Can the minister please explain to this member and the third party what the TAGS program is doing to help the people of Newfoundland and the maritimes survive this difficult time and improve their chances for a much better future?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to thank the hon. member for the question.

In my previous answer I cited statistics that showed over 25,000 Atlantic Canadians are now engaged in programs. Let me now talk specifically about real issues.

There is a family in Newfoundland I receive correspondence from who have left the fishery. The father has now established himself through a nautical training program as a mate on the Irving Oil line. The grandson and their daughter, through training in electronics, have now become active workers in the local television company.

In North Sydney there is a group working on beachfront development under the green project.

Perhaps most directly, I received a letter from a gentleman in his mid–forties who has been illiterate since he started working in the fishery 20 years ago. For the first time he is able to write letters directly to his sons and daughters across Canada and communicate with them.

That shows the people in the Atlantic region are taking up the challenge and have the motivation to change their way of life and change their occupations.

* * *

[*Translation*]

PRESENCE IN GALLERY

The Speaker: I wish to draw the attention of members to the presence in our gallery of a parliamentary delegation from Cambodia.

Some hon. members: Hear, hear.

[*English*]

The Speaker: Colleagues, I would also like to draw your attention to the presence in the gallery of Dr. Veysel Atasoy, Minister of Energy and Natural Resources of the Republic of Turkey.

Some hon. members: Hear, hear.

* * *

• (1505)

WAYS AND MEANS

NOTICE OF MOTION

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of a ways and means motion to amend the Excise Tax Act and the Excise Act, and I ask that an order of the day be designated for consideration of this motion.

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed consideration of Bill C–43, an act to amend the Lobbyists Registration Act and to make related

amendments to other Acts, as reported with amendments, and of Motions Nos. 22, 23, 25, 28, 29, 30, and 31.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I said there were some very recent cases that have proved beyond a doubt that in Canada lobbying can be excessive, dangerous and costly and can have an impact that is rather disturbing to Canadians who, for some time, have been demanding a bill that would regulate the activities of lobbyists on Parliament Hill.

In fact, in its red book, this government promised, as we all know and as many have said repeatedly, to introduce a bill with teeth. Of course we realize that, when the bill was being examined, lobbyists themselves managed to get certain proposals eliminated from the bill, to the extent that the bill before the House today has no real impact on the power of lobbyists. There has been no real increase in transparency. That is what we want and what the people want. Canadians want assurances that lobbyists will not operate in a way that constitutes abuse of power or undue favouritism.

The Bloc Quebecois was the party that suggested a series of amendments, that made recommendations for the purpose of improving this bill. Motion No. 22 proposes that we should have an ethics counsellor who is not appointed by the Prime Minister, as is the case now, but elected by the House of Commons. We suggest that the ethics counsellor should be independent and only accountable to the House of Commons. This is one of the suggestions for improving Bill C–43 and giving it some credibility. It was also suggested that this bill be enforceable by the courts, that there be disclosure of fees and meetings with senior officials and ministers. These are all measures to strengthen Bill C–43, to encourage transparency in this area which is, as I said, quite troublesome in Canada.

• (1510)

There was the Pearson scandal. There was the case of the Minister of Canadian Heritage interfering in a matter handled by the CRTC, an agency for which he is responsible. These are all cases which make the public suspicious. In addition, there was the BST case, where representatives of the Monsanto company offered Health Canada officials $2 million to approve BST.

But, in my opinion, these are just drops in the bucket, despite the fact that they are already very serious incidents involving large sums of money. But the most flagrant abuse of power was when the federal cabinet decided last week to intervene in a decision which the CRTC made, according to its own standards in the usual fashion, in order to favour a company owned by Power Corp. We know that Power Corp. has a considerable influence over cabinet. We know that Paul Desmarais, chairman of Power Corp., has close family ties with the Prime Minister of Canada. To me, the fact that Paul Desmarais' son André is married to the Prime Minister's daughter is indication enough that there is such potential for abuse of power that cabinet could even intervene in the CRTC's decisions.

If one adds to that the fact that the Minister of Finance used to work for Power Corporation, that he was vice–president of Power Corporation, it is obvious that this company has exerted a powerful influence on cabinet. These are cases of abuse. It is reported that André Desmarais, Paul Desmarais's son, was the main organizer of the Prime Minister's trip to Asia last year—a trip which was therefore organized by representatives of Power Corporation, who were so influential that it is during that trip that the Prime Minister changed his policy toward China. Just imagine, lobbyists like Power Corporation can have such an influence that they can make the Canadian government change its foreign policy.

Unfortunately, I see that my time has expired. Thank you.

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, once again I appreciate the opportunity to speak on this legislation.

I believe that the members of the Bloc are not being fair, in the sense that they are not explaining to Canadians some of the real amendments that have been made to this bill, which have increased transparency way beyond the previous piece of legislation. The member says there are no increases in transparency. He obviously has not read the bill.

• (1515)

I would like to take a moment on this whole notion of the Power Corporation. Let us talk about Mr. Desmarais. I cannot understand why the opposition casts aspersions on people who have had previous experience with leaders from the business sector, the entrepreneurial sector.

I have a great difficulty with that. I was in the business realm before I came here. I worked for a large multinational corporation, Magna International. As members of the House know, when we take a position in cabinet or as a parliamentary secretary and we sit down with the ethics counsellor we are asked about our previous lives, about our relationships. It is all on the public record.

The position members of Parliament take when they are on the government side, when they have had a previous experience with an industry or a corporation that deals with government from time to time, is that one absents oneself from decisions taken that directly affect that corporation.

If transparency and accountability are the objective of this bill it would seem to me that in the case of the Power Corporation, which the opposition has mentioned several times today, or the Desmarais connection, to use the member's words, there is

probably more scrutiny on that relationship than any other relationship in the House because it involves the Prime Minister.

Members of the opposition are trying to insinuate that in some way, shape or form this bill inhibits transparency or would diminish the exposure or the analysis or the relationship between members of Parliament and their previous lives or their continued relationship with previous organizations. I cannot figure out where they are coming from. As an MP who comes from that background, I do not want to hide my relationship with my previous employer.

Mr. Hanger: Why should there be any worry if you have not done anything wrong.

Mr. Mills (Broadview—Greenwood): There is no worry. It is on the record. It is publicly known if one goes to the registrar. As long as I am not in here trying to lobby the cabinet or officials on behalf of my previous employer, I do not see where the difficulty is.

I do not understand where the members on the opposite side are coming from. What I find distressful about the tone and the approach from the members opposite is that it seems to me they are suggesting if we had some kind of a relationship with the private sector or a high profile organization we are putting ourselves in a position where we cannot be a member of Parliament where we can be above reproach.

I expect that all of my actions in relation to my previous employer to be scrutinized. I expect if I have received a campaign fund or received moneys from my previous employer to promote a particular cause or whatever, I do not have any problem with that being analysed. The opposition is really missing the point. It is saying that when one has a relationship with a major corporation that person's ability to do work as an MP is questioned.

• (1520)

That is a sad state. I do not want my friends in the House who are lawyers, doctors or from other professions to take this the wrong way, but we need more men and more women who have had entrepreneurial experience, who have had business backgrounds.

With that type of experience we might be able to re–energize that part of our responsibility which has to do with the economy. When opposition members single out relationships that existed either in the past or in the present with corporations or multinationals because I either worked for them or had a relationship with them, it casts aspersions on that relationship in a way that is counterproductive to why we are all here.

The essence of this bill has to do with increasing the transparency, making sure all the activities of lobbyists and their relationship with the government are enhanced, documented, that we have an ability to get a sense of how we as members of Parliament are being lobbied and sometimes even manipulated. Does this bill meet that test? I believe it does.

We have the appointment of the ethics counsellor, a new creation of this government, and as time moves on that position will evolve and be refined. The code of conduct for MPs we as a committee will work on, refine and improve. We have committed ourselves to that process and if we continue this type of debate eventually the final product will be something all Canadians and all members of Parliament can be proud of.

The bill goes a long way in taking us in that direction.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, there is a principle in law which says that one should always be presumed to be in good faith. I do not wish to use the tabling of Bill C–43 and its amendments as an excuse to go against that principle.

Yet, I find it somewhat strange that a government which used any means it could during the 1993 election, namely in the famous Toronto airport case, and swore left and right that once elected it would impose an ethics code and put some order in the scheming of lobbyists on Parliament Hill, I find it strange that this government now puts forward those concrete proposals. I also found that strange when the bill was introduced. I was among the privileged who received a short briefing the morning the bill was introduced. I was there with the leader of my party when counsellors from Justice, Industry or Commerce—I forget which—gave us a crash course on the bill.

I could already see that with the title of ethics counsellor the government had toned down those nice principles it defended in its red Bible, which was probably red with shame since the electoral campaign. The title ethics counsellor reminds me of a style of politics "à la" Pol Martin: you have recipes for favouritism and political influence. As the hon. member for Glengarry—Prescott—Russell said earlier, the success of that law depends on all members and ministers. Therefore, why not acknowledge their wishes and appoint an ethics counsellor by means of a motion in this House?

• (1525)

You know, it is quite something to have judicial independence. This ethics counsellor will have to make rulings on quasi–judicial issues. He will have to make value judgments about the actions of members of Parliament. He will really perform a quasi–judicial function. The independence of the courts has always been recognized, whether they are judicial or administrative tribunals or, as we call them, quasi–judicial courts.

But the party that is now in office does not want to get involved in this sort of thing. It seems peculiar to me that the Prime Minister is the only one to whom the ethics counsellor is accountable, even if I do not want to assume that he would act in bad faith. The judicial courts judges who were supposed to be

charged higher parking fees in the Justice Department buildings, in Quebec, rose up against this practice, not long ago, giving as an excuse their need for independence, their need to cut all links with the administration or the executive, that is, the legislative power.

I did not really understand their reaction at that time, but in this case, it is crystal clear. The only one who will be entitled to appoint the ethics counsellor is the Prime Minister. The only one to be able to call him to account is also the Prime Minister. Again, he can only be dismissed by the Prime Minister. Now, I am told that this counsellor will be impartial, that he will not feel that the Prime Minister is trying to appeal to his emotions, depending on whether his opinions are negative or positive.

Really, all this is nothing more than a dog's dinner. Why not let Parliament, the House of Commons, all of us here make the decision through legislation about the appointment of this official. There is another side to these things. During the campaign, the Prime Minister talked about how this scheme would be nice, great, pure and neat. Now he comes up with a piece of legislation that is not clear and is stifled by its own interpretation. Bill C–43 and other bills, particularly Bills C–61 and C–62 with their infamous clauses opening the doors to lobbyists as never before, look like an invitation to lobbyists saying: "From now on the place is wide open, come and make your representations".

Let us consider clause 9 of Bill C–62: "The designated regulatory authority—" Now we have regulatory authorities. Who are they? They are public servants. "—must evaluate and decide whether to approve the proposed compliance plan—" Let us take, for example, the candy maker who decides to replace white sugar with brown sugar. He comes here and talks to the official who buys that idea, saying it is all right. Do you think that a provision like this one in clause 9 of Bill C–62 does not represent an invitation to abuse? With those compliance plans, one will be able to replace anything with anything, anytime, anywhere.

If that is not an invitation to lobbyists to come to the Hill and do their job, I do not know what it is. Bill C–61, now, is even worse.

An hon. member: With a donation to the party.

Mr. Lebel: With a donation to the party, of course. Bill C–61 is awful. For a given violation or offence, a penalty of $2,000, $1,000 or $500 can be meted out, or it can be waived entirely, at the discretion of a public servant who will decide if we are guilty or not and who will assess the degree of guilt depending on whether we belong to the right party or have contributed or not to the election fund. What are we to understand? Where are those great values of openness which the Prime Minister and his colleagues advocated in 1993? Why invite criticism so blatantly? The government could have simply recognized that the amendment makes sense and realized that it was about to make a big mistake. Why not be open to openness? Why not demonstrate openly that they are what they pretend to be? No, that was not meant to be.

• (1530)

Liberals will fight tooth and nail and stop at nothing to reject the amendment moved by the opposition parties concerning the ethics counsellor. It is already bad enough that there is only one counsellor. But if he is going to advise us, it would be perfectly normal that we appoint the counsellor or at least suggest or refuse nominations. All those powers are taken from us, but we are told the ethics counsellor will be our counsellor. Do you not find all this very strange? I wonder where such an attitude is leading us.

When the Pearson airport issue was raised, I told the House that cancelling the contract would cost at least $250 million. The transport minister, in the House at the time, jumped from his seat and said: "That cannot be. It will cost $25, $30 or $35 million at the very most. It is unthinkable that it could cost more than that". Legal proceedings have already cost us $444 million and the matter is not settled yet.

No, they are always the only ones in step, like in the army, they are always the only ones to know the truth and to understand everything, especially the hon. member for Glengarry—Prescott—Russell with all his phone numbers. They are the only ones who are right. Do you not find this frustrating in the long run?

We are simply asking them—since I do not want to call them hypocrites because apparently it is not a parliamentary expression—to stop burying their heads in the sand. They are all for women when we debate women's issues, but they are against women when we talk about the budget. It is always the same thing. The left hand does not know what the right hand is doing. While the right hand was saving money, the left hand was putting us $600 billion in the red. That is what the Liberal Party is all about. We talk about the old approach and a renewed approach, but it is one and the same.

Mr. Bellehumeur: It is a good thing they only have two hands.

Mr. Lebel: Yes, it is a good thing they only have two hands, but they do not seem to know what to do with their two ears. Even if they had no ears at all, it would not change anything, because as much as we try to make them understand and see the evidence for themselves, they do not understand anything. Give them more hands to replace their ears and they would be happy.

This is our tongue in cheek way of saying that this debate is pointless, because they have already made their beds, they already know where they are heading and they are not listening

to what we are saying here, even though it makes sense and even though the public's perception of the government is at stake.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am very happy to speak to this motion, which is to amend the Lobbyists Registration Act.

Unfortunately, I deplore the fact that this bill does not go far enough in controlling the activities of lobbyists and reinforcing the openness of public activities. Yet the Liberal Party made many promises in its red book. I ask members to take a look at my copy of the red book. This is what is left of it because every time the Liberals introduce a bill, I tear a few pages out. Since they never keep their promises, my copy does not have many pages left.

What did the Liberals say on lobbying in the red book? They said: "The lobbying industry has expanded enormously in Canada during the nine years of Conservative government. The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view".

This is obviously the case with the DirecTV project which is presently being debated in this House in another context. There are still lobbies at work. However, we do not know much about them; they are not registered and we did not do everything we should have to ensure the desired transparency.

According to the red book, "the cosy relationship between lobbyists and the Conservative regime has contributed not only to public cynicism about politics but also to the sense of americanization of Canadian government". So they also insulted our neighbours. "Serious concerns have been raised in the minds of Canadians about some of their political representatives and some of the companies and individuals who lobby".

• (1535)

And it goes on like that. What are the Liberals doing now that they are in power? They said that they would make a law on lobbying. So, we are checking up on them. If we look at the famous committee report and at the bill now before us, we can see that the Liberals did not take any account of what they said when they were in the opposition, they dismissed that completely and, today, they introduce a bill that, except for a few minor points, could have been introduced by the Conservatives if they had been elected instead of the Liberals.

And yet, the hon. member for Glengarry—Prescott—Russell, who sat on the committee, said some very interesting things. The government did not retain a single element of the report. The promises have evaporated. What did our friend across the way, the hon. member for Glengarry—Prescott—Russell, tell us? "I do not agree with you when you say that all that is unimportant, that the question of knowing how much money has been spent on lobbying interests neither the concerned parties nor the public". So, he was in favour of the disclosure of revenues. But is there anything about that in the bill? No. The Liberal Party has forgotten about all that. But it keeps saying that the mushrooming of lobbyists is a cause for concern. The public has a right to know who does what and to whom. And must we add, at what cost? All that was included in the unanimous report of our committee. And it came from the mouth of the aforementioned member.

Another Liberal promise concerned the appointment of an ethics counsellor. They promised to appoint an independent counsellor in consultation with all parties in the House and they said that he or she would report to Parliament. What do we have in this regard in the bill before us? Again, absolutely nothing.

That is why we are proposing amendments so that things can be done exactly the same way as the member for Glengarry—Prescott—Russell was pointing out in the committee report when he was a member of the opposition. Section 10.1 of the act says that the Governor in Council may designate any person as the ethics counsellor for the purposes of this act. So we want to change that. We want to amend clause 5 of the bill, which amends sections 9 and 10 of the act. We want to replace section 10.1 by the following:

"10.1(1) There shall be an Ethics Counsellor who shall be appointed by commission under the Great Seal after approval of the appointment by resolution of the House of Commons.

(2) Subject to this section, the Ethics Counsellor holds office during good behaviour for a term of seven years, but may be removed by the Governor in Council at any time on address of the House of Commons.

(3) The Ethics Counsellor, on the expiration of a first or any subsequent term of office, is eligible to be re–appointed for a further term not exceeding seven years".

That is the way to fulfil a promise. That is the way to correct the very things that the previous government was criticized for. That is the way to give Canadians more confidence in the lobbying system, which is probably impossible in today's politics. Bureaucracy has become so cumbersome that it may be necessary to have lobbyists who are able to tell us on which door to knock, how to knock, how to open the door, how to dress, how to talk, etc. That is basically what lobbyists do when they lobby on our behalf so that we can obtain more easily what we ask for as a legitimate right and not as a privilege. People must not think that we are against lobbying. We know it is necessary, but we want the rules of the game to be clear. We want the rules of the game to be transparent. We want the credibility and the ethics of this person to be solid so that people put their trust completely or renews their trust in the men and women in politics.

• (1540)

The government had the fine idea of fulfilling its promise and having someone appointed by the House, who would report to Parliament. Unfortunately, the Liberals never carried it out. Mitchell Sharp was initially appointed to advise the Prime Minister. They ended up hiring a personal adviser. Everytime we asked the Prime Minister or a member of the government about the famous role of the counsellor, we were told that he was

consulted after the fact, and it was not entirely clear that the advice was actually given to the Prime Minister. Finally, we have no idea whether this helps the Prime Minister, except that it costs us a fairly substantial salary, which raises questions about the role of this counsellor, when we give him a particular role. It has not, however, raised the credibility of someone who was the Prime Minister's counsellor.

This is why the Bloc Quebecois is proposing this amendment. Despite the remarks of my colleague, which I fully support, we have the impression of playing opposition here. People must not think we are playing games. We are trying to show the government that points in their legislation are unacceptable and could be taken further. We really have to amend the policy somewhat in order to improve things. We are not being paid to do nothing. We are being paid to express the viewpoint of people outside government, who do not have the same focus on things.

The government could easily agree to change certain amendments and even carry out some of its promises. Can you believe it, we in opposition want to help the government? We tell the government to be as good as it promised, to keep its promises. What more could the public want from a government and an opposition that work for the collective good in order to protect the interests of the people?

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I think it is important, in considering the motions proposed at the report stage of Bill C-43 on lobbyists' registration, to go back to the definition of lobbyist. Without reading the definition in the dictionary, I can say that a lobbyist is a person who gets paid to influence government decisions to the benefit of his employer, who can be a person or a company. For example, lobbyists are hired by the Canadian Bankers' Association to ensure that Canadian banks do not pay more taxes. Employers rely on public relations experts who make these kinds of representations. Another example is the courier companies that would like to break the monopoly enjoyed by Canada Post and make representations to that effect to members of Parliament.

We can see right away that this has a very long history. It involves what I would call the dark side of a politician's life. That is why it is very important, in dealing with this issue, to preserve openness so that ordinary citizens can see very clearly that elected officials responsible for running the government are free of any dishonest or undue influence. Legislation in this area must be very clear and there must be specific rules to ensure openness. The key principle is that decisions must not only be proper, they must also be made openly and legally without any undue influence.

• (1545)

This has an impact not only on the quality of decisions but also on the quality of democratic life in any society because citizens who believe that parliamentarians are influenced by all kinds of hidden forces on which they have little control may feel that their role as citizens is less important than it should be and that they may not take part in democratic life to the extent that they should.

Yet it is very important, and that is the message conveyed by several of the motions before us. They are designed to improve on this bill because, as it stands, it contains very interesting principles, but the wording does not go as far as it should to ensure the kind of transparency to be expected regarding lobbying.

Take Motion No. 22 for example. It specifies that the ethics counsellor should be appointed by the House. The difference between being appointed by the House or by Cabinet may elude laymen. But there is a very definite difference: Cabinet appointees are actually appointed by people they will have to evaluate later on. This is totally unacceptable.

People know full well that, in their everyday life, if they hire someone to keep an eye on their property and their own activities, they control the way this person perceives them and does his job because they are the ones paying him. That is why a high degree of transparency is required, and it is recognized in every parliamentary system that individuals appointed by the House of elected representatives have greater credibility.

Here is a case in point: the returning officer responsible for the entire electoral system of a country or province. If appointed by the government instead of the House of Commons as a whole, he will certainly have less credibility. The same problem arises here. That is why an amendment was moved to ensure that appointees will truly be serving the people of Canada, not the government, let alone the Prime Minister. This is not a chief of staff or a political adviser we are hiring, but a person who will be able to ensure that things are done within acceptable ethical limits.

Similarly, to ensure transparency, the number one criteria in my view when it comes to lobbying activity, we must be able to hold public inquiries. We all recall the example provided by the Prime Minister, with his personal ethics counsellor briefing him on such and such situation in a confidential report. We could not even have access to the document per se. In such case, even if what the Prime Minister says and the report says is true and accurate, because there is not a strong enough colour of fairness, equality and transparency, the medium becomes the message and, since the medium as such is not believable due to its lack of flexibility, no effort is made to check that the content is sufficiently objective.

I think that it would be in the government's best interests in the future to recognize the need for this kind of courageous action. Of course, we may find out that there is abuse—nobody is perfect on this earth—and we will deal with this in due course. But in the long run, this will improve the system by ensuring that the public in general can assess the situation, have access to facts and conclusions and, therefore, be truly in control of the system. It is important to have an amendment to that effect and that it be passed.

Another amendment deals with the tabling of the ethics code. Let the rules of the game finally be laid on the table. What are the rules and regulations? What game is this? What constitutes acceptable behaviour and what does not?

In this area, this democratic society of ours, one of the most developed democratic societies in the world, still has a long way to go. It needs to get out of the dark and the slightly ambiguous situations we sometimes encounter, such as the whole issue of Pearson International Airport.

• (1550)

An act on lobbyists which would clearly define the various situations would have two positive effects. First, it would deter those who might be tempted to line their pockets when they are not supposed to, or who might be tempted to do things more or less legally. Second, it would give a clear picture to everyone.

For these reasons, the opposition must ensure that the bill will be the best possible piece of legislation and that it will reflect the objective pursued. The government seems to have forgotten the principles which underlie its election promises. It now has an opportunity to amend the bill and ensure that it accurately reflects the commitment made during the election campaign.

Let us consider the ethics counsellor, for example. If the counsellor is appointed by cabinet, then he is actually designated by those whom he must monitor. This creates a strange situation. The person responsible for saying that a minister acted inappropriately in a certain situation will have been hired by cabinet, which includes the minister in question. This puts the incumbent in an impossible situation. I am prepared to predict that, if the bill is passed in its present form, problems will surface in two, three or five years, and the next government will have to make changes and improve the legislation to make it more acceptable.

I do wonder about this bill. Why does the government not put more distance between itself and lobbyists? Why does it perpetuate the impression that governments are more or less puppets controlled by secret groups? What is the purpose of acting like that? Since becoming a member of Parliament, I have come to realize that lobbyists can take up my whole day. They can ask to meet regularly with me. They can act so as to get a lot of my time, through visits and meetings, sometimes at the expense of my constituents. Why does the government not clarify the whole situation and make our lives as members of Parliament easier and simpler by promoting direct contact with the public?

I think the answer has to do with the way that federal political parties are financed, and particularly the contributions made by corporations, including Canadian banks. Indeed, banks are known to make large contributions to several political parties. The Bloc Quebecois does not accept money from corporations, but the law currently authorizes such contributions.

If our elections act allows such donations, we are sure to find it difficult to pass a law to enforce tighter rules on lobbying because the people who contribute to election funds are the ones who hire lobbyists. Both acts would be at cross purposes. It is easy to understand why this Liberal government, after making terrific promises in its red book, is not able to deliver the goods, and comes up with such a toothless bill.

To conclude, I urge government members to examine carefully the proposed amendments and more particularly Motions Nos. 22, 25, and 19. Passing those amendments would give us a bill that would allow once and for all adequate control of lobbyists and make it clear to Quebecers and Canadians alike that politicians are here primarily to serve them.

• (1555)

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question in on Motion No. 22. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 25. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

The question is on Motion No. 28. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

[*English*]

The next question is on Motion No. 31. Is it the pleasure of the House to adopt the motion.

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

The House will now proceed to the taking of the deferred divisions at report stage of the bill now before the House.

Call in the members.

And the bells having rung:

● (1600)

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, I have been requested by the chief deputy whip to defer the divisions until 5.30 p.m. today.

Accordingly, pursuant to Standing Order 45, the division on the question now before the House stands deferred until later this day at 5.30 p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

INCOME TAX ACT

The House resumed from April 24 consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): The hon. parliamentary secretary had approximately 10 minutes remaining. He might choose to elaborate on his previous intervention.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I appreciate having the opportunity to continue to talk about the debate on tax reform.

Something that I believe concerns all members of the House of Commons today is the fact that the world monetary system does not seem to be functioning properly. In all the major financial institutions, the banks, are sections where they are dealing with derivative funds, working around the clock seven days a week. The flow of capital being perpetrated right now affects all countries, managed by a very few men and women in my judgment in an unaccountable way, is one of the major reasons why we have these major fluctuations in interest rates and in exchange rates.

When we look at all the activity around the derivatives, around all the speculation on the stock market, we discover that the amount of productivity related directly to the manufacturing of a product or service is very small in relation to the amount of speculative movement within those markets. Somebody writing

in the New York *Times* the other day said that for every $1,000 exchanged on the stock market only about $1 is related directly to productivity.

The more we get into this flow of capital, the more we come back to the fact that our basic tax act is in need of major reform. This is an area where all members of the House have to come together to address the problem in a comprehensive way.

This is not a partisan issue. This is an issue that affects every person who generates income in this country. As we all know the current tax system is a disincentive to productivity. The harder one works and the more one makes on the gross income, it seems that the less one has left in one's pocket.

What we see now, whether it be an individual or a corporation, is the flight of capital, the flight of talent out of our country. It is easy today to move capital around, move companies around by pushing buttons but we cannot move people around.

We are a nation. We have built one of the greatest infrastructures in the world in terms of promoting our quality of life, whether it be our health care system, our educational system or our social safety net. All of a sudden, these things are in jeopardy. They are in jeopardy not because of waste and not because people are abusing the system. We must eliminate the abuse of the system, waste and overlap. No one is debating that.

• (1605)

However, we face a more fundamental problem. Because we are now legislators who are on our knees to the capitalist markets, in my judgment we are becoming less liberal in the way we look after some of the disadvantaged people in our community. We are becoming less sensitive to the whole purpose of why we are here.

We come to this Chamber not to dot *i*'s and cross *t*'s, we come to debate ideas that will either maintain or improve the quality of life in the country. Right now we are not controlling the agenda. The people who are controlling capital flows outside of sovereign states are the ones who are having the most effect on the decisions we make.

Our whole thrust as the House of Commons for the last 10 or 12 years has been deficit and debt. A lot of the deficit and debt is exacerbated by a world monetary policy which is not working and ultimately by a tax system which is not working. That is why I feel it is very important, as I previously mentioned, that we change the basic tax act.

One of the things we must be aware of is the fact that our neighbours to the south are starting to look at comprehensive tax reform in a very serious way. In fact, just before question period today I was handed an article which was written in the New York *Times* by William Safire—

* * *

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1995

BILL C–76. NOTICE OF TIME ALLOCATION

The Acting Speaker (Mr. Kilger): The Secretary of State for Parliamentary Affairs on a point of order.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it has been impossible to reach an agreement pursuant to Standing Orders 78(1) or 78(2) with respect to second reading of Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

Therefore, pursuant to Standing Order 78(3), I give notice that I will be moving a time allocation motion at the next sitting of the House for the purpose of allotting a specific number of days or hours for further consideration of the bill at this stage and every question necessary in order to dispose of this stage of the bill.

* * *

[*English*]

INCOME TAX ACT

The House resumed consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the second time and referred to a committee.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, the article in the New York *Times* talked about the new bipartisan spirit that is sweeping the United States Congress right now on comprehensive tax reform. It talks about Republicans Dole and Kemp and Democrats Bradley and Gephardt all working together on this issue. I note the last sentence of the article, which reads: "This 25 per cent solution builds on the reform that Bradley and Senate finance chairman Bob Packwood, Republican, worked out in the mid–eighties and it need not wait for a Republican president".

What concerns me about the fact that the United States is seized with this issue is that if it implements this before we do, then once again we will not only be following, we will lose a tremendous amount of investment. Some of our larger corporations, high achievers, income earners and entrepreneurs are naturally going to flow to that market where they can achieve more in the way they earn their incomes. Therefore, we should somehow figure out a way to get involved in this debate in a very aggressive way.

• (1610)

I read a paper just before Christmas written by an economist from the province of Quebec by the name of Pierre Fortin. He is now one of the most respected economists in the province and one of the advisers to the Bloc Quebecois. Obviously, he would give strategy on its future. He may not be a close adviser but he is someone who is listened to by certain members of the Bloc. He too is advocating this type of a system.

The best way to handle the tax act of Canada is to go right back to basics and flush out all the special privileges, preferences and loopholes. If we added up the value of all the preferences and tax loopholes in the last 15 years that were given to foreign multinationals and the top 150 companies in Canada, we would see that those preferences or, as some would call them, tax grants, would add up to close to $500 billion which is equivalent to almost the national debt.

I believe it is time for us, as a country, to get involved in this debate in an aggressive way.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I listened carefully to the hon. member for Broadview—Greenwood and I must say that I was quite surprised because he made a very sensible and thoughtful speech. The problem is that he stated exactly what we have been saying to the finance minister and the government for the past 15 months. As we said before, we need to review the whole Canadian tax system, because it is full of holes and is preventing us from reaching our goals and ensuring social equity throughout Canada, in the East as well as in the West, and a fair balance between what individual taxpayers and private corporations pay.

So, I want to ask my colleague from Broadview—Greenwood why the members of his own government do not understand his message, which I find quite sensible? Why can he not convince his colleague, the Minister of Finance, of the need, indeed the urgency to remedy the obvious deficiencies in the Canadian tax system, which allow high income earners as well as big corporations to benefit from loopholes such as the tax conventions signed with some tax havens?

Why can we not abolish these loopholes? Could it be because his colleague, the Minister of Finance, is both judge and judged? It is a well known fact that he has a fleet of vessels flying the Panamanian flag, a flag of convenience, and may not have the same interests as his colleague from Broadview—Greenwood.

[*English*]

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I thank the finance critic for the Bloc Quebecois for the question. It is a question I have been asking myself for the last two years.

I have been campaigning on the single tax system for the past five years. When I started the debate I did not understand the complexity of the tax act and its sensitivity toward progressivity for seniors and families with children. We designed and redesigned the tax form over 30 different times in order to try and have something that was doable. Having said all of that I really do believe our last effort on this project was very close to something that was doable and worked for everyone.

• (1615)

I like to think I have a little bit of experience in selling to my colleagues in this House of Commons. I have worked hard for the party for 15 years now. I have discovered regrettably that the lobby system which exists around the tax act and the Department of Finance is the strongest lobby which exists in Canada. The men and women who have lobbied for a particular tax preference within the 1,400 pages of the tax act are all people who believe in their cause. I am not saying they are doing anything subversive or illegal, but their ability to lobby their cause and add their preference to the tax act is certainly more powerful than mine.

I am not alone. Other members on this side of the House believe in comprehensive tax reform as well. I believe that only when we as elected members of Parliament come together as a fist, rather than going in 10 different directions, will we have the ability to move the officials in the Department of Finance. This is something the elected members of Parliament put here by the people can do, not the unaccountable bureaucrats in finance. That is the challenge.

I do not mind saying to members opposite that there are some days when I wonder whether I am spinning my wheels. However, I want members to know that I really believe if we all work together on this, that it is achievable. Why will it be achievable now? It is no different from the music industry. How did some of the best talent in our country make it? They went to the United States, made a hit and came back as superstars.

Now both the Republicans and Democrats in the United States of America are looking very closely at reforming the whole system. We will be consistent, traditional Canadians. If they implement it, we will follow rather than having the guts to take the lead.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I would like to applaud the member for the work he has done over the years on the single tax. I know he certainly understands that we on this side of the House support it.

He said there are days when he feels as if he is spinning his wheels. I would like to ask him specifically how he felt a few moments ago when someone from his caucus walked into this Chamber in the middle of his speech and said that time allocation was going to be brought in on this piece of legislation.

The hon. member and I sat together on this side of the House in the last Parliament. It was deplorable then for the Tory government to bring in time allocation.

Could he explain to me if he feels like he is spinning his wheels right now because someone just cut him off with time allocation? This is debate, openness and democracy? Bunk. Could he address that please.

Mr. Mills (Broadview—Greenwood): Mr. Speaker, that is a very tough question for me to answer. There is only one answer and that is the answer one believes in. I have been in opposition where we have had the guillotine of closure put on us. I would say that we did not like it.

Let me say first that the administration of this House because of the legislative agenda and because we do not sit as much requires this from time to time. We have brought in time allocation or closure on bills about 10 per cent compared to the previous government. I think you will find, Mr. Speaker, that any time we have brought in closure it was in the interests of making sure that the administration of certain pieces of legislation got through the system for a very specific purpose, but never in terms of shutting down debate.

• (1620)

We on this side of the House, and I have said this repeatedly, would welcome good, tough, solid debate from the opposition. Quite frankly sometimes we feel that the best debate we have in this Parliament is among ourselves. We have actually talked of having a good intersquad game among ourselves in the House of Commons.

The bottom line is that we have brought in closure less than 10 per cent in comparison to the Tories.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I welcome this opportunity to speak to Bill C–70. I listened to the hon. member for Broadview—Greenwood, and I was both amazed and impressed.

I was amazed to hear a Liberal member, an experienced member of the House of Commons who did a very thorough study of the tax system in Canada, say that the tax lobby is the most powerful lobby in this country and that there is no tax reform in this country because there are powerful interests that do whatever is necessary to influence governments.

I am also impressed, because I see a Liberal member who is swimming against the tide as he tries to advance the cause of fair taxation in this country. I am impressed because, considering his experience, he must realize that his chances of succeeding are very slight. Nevertheless, he belongs to a group that is submitting a proposal for tax reform.

I suppose that five, ten or twenty years from now, he will probably still represent the riding he represents today in the House of Commons and will probably be making the same speech and say: I have these wonderful ideas. I want to reform the tax system, but the big business lobby, the lobby of the haves in this country is so powerful that I cannot do a thing. But I will persevere.

So again, I have nothing but praise for the hon. member, and I would urge him to keep up the good work, because it is a very slow process, as the hon. member for the Reform Party said earlier.

The purpose of Bill C–70 is to implement certain measures announced in the budget of 1994, not the budget tabled a month and a half or two months ago but the one that was tabled 14 months ago. Now this is a good example of an institution that just ambles along, without realizing that some people in Canada are in a hurry for tax reform.

There are people who look at our tax system, and right now, they are probably finishing their income tax returns. They will probably file them at the last minute because, like a lot of people here, they owe money to the government. Taxpayers do their tax returns, saying to themselves: "It seems that Canada's tax system is not quite what it should be". They look at their tax returns, saying to themselves: "I get very few exemptions and tax credits". The people filling out their returns perhaps work for someone else, so evasion is not an option.

At the same time, the same people will see in the papers or on certain television programs that some people in this country are fortunate enough to have tidy fortunes, and to, it would seem, not have to pay taxes or to be able to take advantage of some form of tax evasion scheme, like family trusts, like tax credits such as the research and development credit, which in some cases may be used for praiseworthy pursuits but in reality boil down to a means of not paying a fair share of taxes.

• (1625)

The citizens in question who are in the process of filling in their tax returns may still recall the Auditor General's report last year, which said it was astounding that we continue to tolerate that Canadian income tax laws still contain certain tax haven provisions.

The Auditor General asked the government to review some tax conventions with certain countries, which permit businesses that we believe to be Canadian but are registered in foreign countries with laxer tax laws than Canada, to avoid paying taxes. I hope to be able to prove, in my speech, that Canada's Income Tax Act is very kind to the rich, but that there are other countries where it is even worse, where the tax legislation is even more lenient for those who make profits.

It should be noted that usually these countries are not rich ones, but rather countries which are struggling and belong to the third world. They probably benefit in some way from having such tax provisions. But on second thought, one realizes that they probably do not derive huge profits from signing these

conventions. According to the Auditor General, Canada probably loses vast sums of money in these transactions.

How is it that, in the bill before us today, which enacts certain provisions contained in last year's budget, there is no definite provision concerning tax havens, and tax conventions? Why?

I believe that the speaker who addressed the House before me, the member for Broadview—Greenwood, answered this question. It is because the lobby for rich Canadians is so powerful that the efforts of those who strive for greater and clearer fairness in the tax system are being defeated by people with huge interests.

The member for Broadview—Greenwood, speaking of eliminating privileges, loopholes, and grants in the form of tax breaks, even gave the figure of $500 billion. This is a huge amount of money. I did not do the same research as he did. I trust him.

That figure tells us that maybe there is a good part of the federal debt that we are trying to pay off, or rather that some people in Canada want to pay off by going after the middle class and even the less fortunate, through cuts in tax credits such as the age credit which has been slowly decreased year after year, for example.

Let us say I am happy to see that, on the Liberal side, the social conscience of some members is still strong enough to make them denounce the present situation, although the Liberal Party has done so before.

In the red book, the bible of the last election campaign, they proposed certain measures to increase the fairness of the tax system, certain steps which, according to the Bloc Quebecois, would revive trust in the taxation system, and would make Canadians believe there is justice in taxes after all. But once in office they no longer seem to be interested in such measures.

• (1630)

The speech that the hon. member for Broadview—Greenwood gave today, he could have given it with the same result when he was in opposition and the Conservatives were in office.

An hon. member: He probably did.

Mr. Caron: Yes, he probably did, maybe at that time we did not care so much about federal politics, but I believe that we might have supported it at the time, supported his efforts of clarification regarding the tax privileges some social classes enjoy in Canada. The speech he made today, he could have made it at the time of the Conservatives and he would have had the same result.

People might consider his proposition favourably, like many of us did when we heard about it. They might look at it and say: "There might be something there, maybe we could do something". But next year, when we are going to talk about new amendments to the Income Tax Act, we will probably say the same thing again. There are privileges in Canada. There are people who do not pay the taxes they should be paying. We deplore it, everybody talks about it, newspapers mention it, TV commentators mention it, and tax experts say so too.

The other day, a tax expert was saying that the Income Tax Act is so dense and contains so many exceptions that it takes an expert to find one's way through it. A provincial finance minister is even known to have said that, with our tax system, if a big company pays taxes, it is probably because its accountant is not very good.

So, when we are faced with these kinds of situations, I think that we cannot limit ourselves to proposals like those in Bill C–70, which deals with all kinds of things that are, in fact, secondary. As far as the exemption is concerned, I think that it might be the only provision which would be somewhat sensible for the working class. In the case of funeral arrangements, people would not have to pay taxes on the interest earned on amounts prepaid for these arrangements.

This is not serious. I believe that Canada is in a very difficult fiscal and budgetary situation. Minor improvements such as the ones proposed in Bill C–70 are not going to solve anything. We have to look once and for all at the Canadian tax system that we have had for the last 20 to 25 years and which has not undergone the reform everyone expected. Canadians are waiting for some kind of reform. Taxpayers, Canadians who contribute to social, health and education programs are ready to continue to do so, but they want everyone to do his or her fair share and to realize that taxes due must be paid. But that is not the case nowadays.

When we consider the case of banks and big business and, as I said a moment ago, the whole issue of tax shelters, we see how outrageous the whole situation is. Some would say: "Well, you are not an economist". If, for example, we increase corporate taxes, we are going to lose investments. That might well be but very often this is a point used to scare us, to prevent us from taking measures which would be significant, which would be necessary if we want Canada to have a sound tax system, if we want everyone to pay taxes according to their income and to prevent people from being in a situation where they can avoid paying taxes since this is essential to the survival of this country.

It is not just a question of saving money for all taxpayers. A country where taxes are not considered fair and equitable is on the road to ruin. A country has obligations and must have sufficient revenues to meet them. It has the responsibility to see that the revenues are there and that they come from the population as a whole, not only the middle class and the least fortunate members of our society, but also from big corporations and well–off families. The more fortunate members of our society must also pay their share of taxes because they benefit from the central government and from its services.

• (1635)

No business in Canada would survive if we were in a situation where people are opposed to a certain extent to the tax measures because if they are not sure that justice is the same for everyone, that responsibilities are the same for everyone, people will be less and less interested in paying taxes. They will turn more and more to moonlighting, thus taking away the money needed by government. This would lead us to disaster. That is why I call upon the minister—I do not know if many members did, although all the members of the Bloc who spoke on tax issues did do so—, I call upon the Minister of Finance to show more social understanding and to initiate a genuine tax reform. I hope that we, the members of the Bloc, will see such a reform while we are still in the federal Parliament.

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, I listened carefully to the account the hon. member for Jonquiere has just given. I believe he has clearly taken into account the fact that since its election in this House the Bloc has never missed an opportunity to ask for a review of the Canadian tax system.

We asked for the abolition of family trusts and tax havens. We asked for some figures that were never made available to us. We talked about transparency every time we had a chance to do so, but without great success it seems. There even were some cases where members on the other side and even government members came to the same conclusion and rose in the House on that issue. My hon. colleague did the same thing today, apparently not for the first time but once more without great success. The member for Gander—Grand Falls himself denounces regularly, because he goes to Taxation, outrageous things that occur in taxation, among other things people who do not pay their income tax, which can be huge amounts.

I would like to ask my hon. friend if the crux of the problem is not the fact that we cannot discuss those problems in this House. The crux of the problem is the fact that people who finance political parties are those who decide how the government will act. We know that some people give astronomical amounts of money here. There even was a bill introduced by a member of the Bloc in this House, although maybe not for the first time, on the necessity to have a popular financing of political parties. The bill was rejected.

I wonder if my hon. colleague does not believe that the saying according to which he who pays the fiddler picks the tune is relevant to political parties who, receiving huge financial support from banks and other important institutions, are forced to pass tax laws which serve the interests of these contributors rather than fair laws for all? I would like to know where my hon. colleague stands on this.

Mr. Caron: Mr. Speaker, I always wondered why, according to the Chief Electoral Officer's reports that I often read in newspapers, some corporations or major banks were giving $50,000, $100,000 or even $150,000 to the Liberal Party's or the Conservative Party's election fund. It has always been a mystery for me since, as an ex-member of a provincial party that promoted and adopted a bill on political party financing, I was used to contribute $50, $100, or maybe $300 in the good years, or the election years. No one of those who acted as I did were getting any particular benefit for their contribution.

In particular, I have often been surprised to see that some corporations were giving $100,000 or $200,000. My colleague, the member for Anjou—Rivière-des-Prairies, is telling me why. In fact, when those people give to some party's election fund, they are probably expecting some benefit in exchange. But it may be more subtle than that. I do not think it is necessarily a give and take process.

• (1640)

I hope that I will never see a minister of the Crown award contracts or give favours for money. I think that would be too disgusting, and it is probably not done these days, at least I hope not. But I think that things are done in subtle way, because the big corporations, the ones that contribute significantly to campaign funds, affirm their position in a particular milieu, that is the haves, the people who, in all good faith, and I do not in any way condemn wealth, belong to a certain social class, to a certain milieu, and who want that milieu to continue.

When we hear the statement made by the hon. member for Broadview—Greenwood, we realize that this milieu organized a lobby for itself, to make representations to the government on its behalf and to have members of the milieu elected to government. Earlier, my colleague from Saint-Hyacinthe mentioned that the present Minister of Finance used to own—I hope that it is not the case any more—a fleet of ships sailing under flag of convenience. That does not surprise me. The Minister of Finance knows the system very well, but he must feel in all good faith that it is a good system. If it is good for him, it surely must be good for every one else. So, he is perpetuating it.

So, be it through election funds, through having people elected, or through lobbying, I think it is the same system that is being perpetuated, and Canadians and Quebecers have had enough.

Mrs. Pierrette Ringuette-Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, it was with much amusement that I listened to my colleagues in the opposition, who repeated to a large extent what I said in my remarks in the first days of the first session of this Parliament. I had said that any measure of social justice must also take into account the tool the government has, that is the tax system, and review it to increase the system's fairness.

The proof of this government's commitment to review the tax system to ensure that Canadians, at least the least fortunate of our fellow citizens, can benefit from measures that are fairer and more equitable, is the reform announced by the Prime Minister during and after the election campaign. He promised the removal or the reformulation of the GST, a tax that is paid not once a year but every day, and a rather heavy burden for Canadians with low and even middle incomes.

I think this government shows on a daily and continuing basis its will to ensure greater fairness at the national level and particularly for people living in Quebec.

As for Bloc members, I hope they will support the government when we bring forward measures to ensure greater fairness in the tax system, and to abolish the GST, a daily form of taxation imposed on the population and a heavy administrative burden both at the federal and provincial levels.

Mr. Caron: Mr. Speaker, the candor of my colleague for Madawaska—Victoria amazes me. She spoke of an announced fiscal reform.

I do not know if it has already been announced, but it has not been announced very loudly since the present Liberal government came to power. Maybe it was announced in the red book, but there has been nothing more than promises since then.

• (1645)

But I am happy to learn, for example, that the GST will be abolished. I heard it would be on January 1, 1996; according to a few items in the papers just before Easter, the government announced it would not be on January 1, 1996, but maybe sometime in 1997, 1998 or 1999. This promised reform is probably similar to the promise made when the tax on income was introduced during the war. It was supposed to be only temporary. That is what they said. Since the reform was announced, I hope my colleague for Madawaska—Victoria's wish, which is shared by all Canadians, will be fulfilled and that the much abhorred GST will be abolished one day. But I am not sure that we will still be around to see it happen.

[*English*]

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I support the main provisions of Bill C–70. They have obviously been written in response to difficulties that have arisen out of initial legislation. They are designed to make life easier for taxpayers, eliminate ambiguities and remove inequities. As such, the provisions are laudable.

A careful study of each provision in the bill was undertaken by Reform research. I spent some time looking at the findings. It turns out the laudable attempts to make the Income Tax Act more equitable and efficient do not offer a perfect solution.

Some of the new provisions conflict with principles developed by Reform Party assemblies where grassroots Reformers have the opportunity to express their views and bind members of caucus. Most involve technical issues and it is not easy to apply simple principles.

My colleague from St. Albert yesterday in his speech on this bill expressed Reform's objection to specific clauses of it. I will not repeat his analysis. Instead, I wish to take this opportunity to do two things. First, I will make the case for the revision of some income tax changes contained in the February budget. Second, I will take up the challenge by the hon. member for Broadview—Greenwood and discuss an alternative system for taxation which would eliminate the need for complicated income tax provisions of the sort contained in Bill C–70.

On the first topic let me read the contents of a letter written to the Minister of Finance by Carol Loughrey, chair of the Canadian Institute of Chartered Accountants of Canada. A copy was sent to me as a result of my involvement in the issue. This involvement started when I asked the Minister of Finance a question in the House and he gave me a very unsatisfactory answer.

I have received several letters from other affected parties such as professionals, tax lawyers and accountants. They agree with the points made in the letter by Miss Loughrey and simply elaborate on some of the issues she raised.

• (1650)

Let me now read this letter:

> I am writing to convey the CA profession's disappointment and concern regarding the announcement in the budget that individuals with business or professional income will be required to have a December 31 year–end. We have three primary concerns: the removal of the ability to use natural year–ends, an even more compressed workload for our members and the lack of fairness in the changes.
>
> Natural year–ends
>
> Many businesses have year–ends other than December 31 because of the nature of their business rather than for tax planning purposes. The tax system should not impose a year–end that for these businesses make no business sense. For example, forcing a retail business to have a calendar year–end would impose a significant workload increase during their busiest season and would impede effective measurement and evaluation of their business performance.
>
> Where a business wished to preserve a natural year end it could do so only by incorporating. For businesses which can incorporate this would mean additional legal and accounting costs. Many professionals, including chartered accountants, are prevented by law from incorporating. However, even where the professionals are permitted to incorporate, the budget will require them to maintain a December 31 year–end.
>
> The workload of many of our members is by far the greatest during the first four months of the year. Our members are already strained coping with the demand for audit and accounting services, tax return preparation, including personal tax returns information returns such as T4s, T5s, workers' compensation returns, payroll tax returns and PST and GST returns. Moving all professional and unincorporated

business year–ends, and some incorporated business year–ends, to December 31 will add considerably to that already compressed workload. We are concerned that the changes will seriously limit the ability of our members to properly serve their clients and could turn smaller practices into seasonable businesses.

Fairness

The budget refers to the need to improve the fairness of the tax system by treating professional and business income the same as employment income. However, there are important ways in which income from a profession or business is not the same as income from employment. Professionals and business people assume risk by gathering business capital and investing in their business, a task that will be more difficult without the tax deferral; they lease or purchase a business location and business equipment; they employ others; they must protect against liability; they must carry on their business without benefit of unemployment insurance or protection against disability or severance. A fair tax system should recognize that the self–employed are not the same as employees and that they should not be treated the same.

We are also concerned about the fairness of the transitional provisions. We believe they are too restrictive and will impose an unfair tax burden. It would appear that the ten–year reserve will not be available in certain situations, such as where an individual changes firms or changes from being a partner to sole proprietor or vice versa. The loss of this reserve in such circumstances would be inequitable and would create a barrier to the natural movement of individuals, interfering with their ability to carry on their business or practice as they see fit or as conditions require. Furthermore, it is unfair that the income to be included over the transition period is to be taxed at the individual's highest marginal tax rate rather than the average rate and that individuals could lose one year of eligibility to make RRSP contributions. We believe that the fairness of these measures could be improved through additional transitional measures.

Finally, it is very troubling that the changes are retrospective. We are already within the 1995 fiscal calendar year—the changes will have a real and harmful impact on taxpayers who had arranged their affairs in accordance with the law as it stood before the budget.

In the last few minutes I have been reading a letter which had been sent to the Minister of Finance by the institute of chartered accountants.

I fully agree with the technical assessment of the problems with the budget provisions identified in this letter and urge the Minister of Finance to make the changes in the Budget Implementation Act to correct the inequities and the inefficiencies created by this action.

I want to add the following political judgment which people like the writers of this letter cannot express but probably agree with.

The Minister of Finance justified his budget measures as a step for greater equity. We all know equity is in the eyes of the beholder. The letter I read referred to the difficulties that arise from the arbitrary lumping together of employment and self–employment income which is used to make this equity argument. I agree this is rather arbitrary.

However, my main additional argument is this provision is simply a one time tax grab motivated by the desire to raise revenue, lower the deficit and avoid the need for spending cuts. The people of Canada in their taxpayer rallies and even in their presentations to the finance committee of the House made it abundantly clear they preferred spending cuts over tax increases to eliminate the deficit. Reformers agreed.

The Minister of Finance thought he could raise taxes on what he considered to be a relatively small group of professionals by justifying the tax grab to the general public as a measure of increasing equity.

• (1655)

The minister may have underestimated both the strength of the opposition from the affected professionals and their accountants and tax advisers. I hope he takes note of the legitimate objections I have raised.

As an economist I see these objections as quantifiable costs that need to be examined in relation to the value of the one time tax revenue increase. I am convinced the ratio of social costs to benefits makes this tax provision one of the least efficient alternatives for raising revenue and more broadly eliminating the deficit.

As I noted already, Bill C–70 stands in support of the widely accepted view that Canada's tax system is too complicated. The readjustment of accounting years for professionals just discussed is only another example.

Every country's tax code becomes more complex every year. Inequities and inefficiencies of the existing code have to be corrected. Dynamic new developments in the economy and financial intermediations require adjustment. There are developments abroad that need to be reflected.

Every country periodically faces the need for a major overhaul of its tax code when the complexity has become so large that it threatens to strangle incentive, drown the private sector in red tape and divert too many of the country's best and brightest accountants and lawyers into activities which essentially are socially unproductive.

I believe, much like the member for Broadview—Greenwood, Canada has reached this stage. There are several members of the Reform caucus, in particular my colleague from Calgary Centre, who strongly support such efforts.

The proposed overhaul of Canada's tax code should be aimed at the creation of what alternatively has been called a flat or proportional tax, a single tax. An intensive study of such a new tax system should start now, not just because of the excessive complexity of Canada's tax code but, more important, because of new developments in the United States.

To make this point I cannot do better than read from a *Globe and Mail* editorial from April 24, 1995, unsigned:

> There is a time bomb ticking under the Canadian welfare state. It is not the debt, nor the aging of the population, though these are threats enough. It is the coming revolution in the U.S. tax system.
>
> Already, several large northeastern states have embarked on radical tax cutting programs. Now leading federal politicians in Congress and on the presidential campaign trail are promising not just to overhaul the federal income tax but to abolish it.
>
> Dick Armey, leader of the Republican majority in the House of Representatives, is pushing the most moderate—relatively speaking—reform plan, a flat tax that would eliminate most deductions and credits in favour of a single low tax rate for everybody. Mr. Armey figures it is possible to get the rate down to 20 or even 17 per cent this way without running up the deficit. The tax form would be the size of a postcard.
>
> The immediate objection to this is that it would kill progressivity: that is, the principle that richer people should pay a larger share of their income in tax. But rising marginal tax rates are not the only way to make the system progressive; you can also do it through the tax base. Mr. Armey's plan would exempt roughly the first $20,000 of individual income from tax. Someone earning $25,000 would pay Mr. Armey's 20 per cent flat tax on only one–fifth of his income, for an effective tax rate of 4 per cent. At $40,000, he would pay tax on half his income, for an effective tax rate of 10 per cent. At $100,000, the effective rate would be 16 per cent.

I have enough time to conclude with another excerpt:

> Too radical? Dreamsville? Think again. Not only do the Republicans control both houses of Congress, but all of the GOP candidates for president have endorsed one or other of these proposals. This has enormous significance for Canada. We do not have to slash tax rates to U.S. levels. But we do have to stay within hailing distance. At 17 per cent, U.S. personal income tax rates would be a half to a third of the top combined rate in Canada. Indeed, a flatter, simpler tax system would be desirable in its own right. At the least, it would free some of the brightest minds in the country, now employed as tax lawyers and accountants, for more productive work.

• (1700)

I would like to end my quotations here, except to mention that the hon. member for Broadview—Greenwood is mentioned by name in this editorial, and I congratulate him.

I would like to make a couple of comments in closing. Please note that in my short remarks I do not endorse the particular version of a flat tax described in the *Globe and Mail* editorial or advanced by the hon. member for Broadview—Greenwood or by my colleague from Calgary Centre. The reason is, as is the case with many appealingly simple ideas, there are devils in the details and there is a danger that advocates of policies end up not telling quite all. For this reason, I urge the immediate start of a major study of the proposals for a simplified flat tax system.

During the study and public hearings on the subject I think it will become immediately obvious that the widespread support for such a measure is based on false assumptions. Few people, if asked, will object to a new system that promises to lower their tax rate from the present high one. Often quoted are the marginal tax rates on incomes in British Columbia, which are now around 53 per cent for the federal and provincial rates combined. The most important false assumption is that the lower flat rate, normally discussed in this context, is deceptively low. In the Canadian system every federal rate will automatically be increased by about 50 per cent due to the provincial income tax laws, even if the provinces also adopt a flat tax system.

The second and perhaps most fundamental point is that Canada's fiscal problems stem from overspending. Based on reliable estimates, the combined spending of all governmental jurisdictions equals about one–half of our national income. That is why tax freedom day falls in July.

The government has to raise the revenue to pay for this spending. As it does, by definition, the average tax burden on the average Canadian will remain about 50 per cent of his or her income. No tax reform can alter this basic fact. People who are seduced into believing otherwise by the promise of a flat rate, much lower than the current marginal rate they pay, have to face the fact that the government has to get its revenue somewhere. Most likely, it will get it from exactly the same people and in the same amounts as it does now. There are no large hidden incomes that will be tapped by the flat tax and there are no magic solutions to the problem of overspending.

Finally, I would like to note that the idea of a flat tax has been around for a long time. It once served as a basic model for reform in the United States and in Canada in the 1980s. As it turned out, by the time all of the trade–offs between efficiency and equity were studied thoroughly, both countries ended up with modified flat tax rates; that is, three broad tiers and relatively small marginal increases rather than the previous scale with many incremental steps and very high ultimate marginal rates. The idea that basic personal exemptions result in progressive average rates, as noted in the *Globe and Mail* editorial, did not carry the day during the deliberations in these two countries. I am worried that it may also not do so in the future if we have hearings again.

These and the other concerns I have about the merit of a flat tax do not mean that the system should not be studied. The hope of eliminating the kinds of complex tax codes contained in Bill C–70 make it very worth while. In the meantime, I urge the proponents of the tax to be cautious in their advocacy, much as I have done in the past and in my brief discussion today.

The Acting Speaker (Mr. Kilger): Before proceeding to questions and comments to the hon. member for Capilano—Howe Sound, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—the environment; the hon. member for Don Valley North—human rights.

• (1705)

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I want to commend the member for Capilano—Howe Sound for entering the debate on comprehensive tax reform.

I accept his note of caution when he spoke about overstating the accomplishments of a single tax. I think the member forgot to mention three very important fundamentals that would be achieved by a simple, fair, and efficient tax system. We always stated that the provincial rate would be added on to the federal rate, but I think there are three additional advantages the member did not cite.

First, I believe that a simplified fair tax system where everybody is in the loop would reduce the underground economy. I think one reason we have an underground economy in such an exacerbated state right now is because our tax system has driven people underground. A simplified and fair tax system would reduce the underground economy, which would add more revenue to the treasury.

The second issue that is fundamental to the system of a single tax system deals with what is happening in Hong Kong. They have a form of a single tax system over there, and it creates large pools of capital. When large pools of capital come into a country it puts downward pressure on interest rates. That downward pressure on interest rates means that capital is less costly for governments when they borrow it, which deals with the revenue or expenditure problem. It is also less costly for entrepreneurship. I believe that one thing entrepreneurship needs right now is cheaper capital and lots of it. That in turn would create an environment for investment and job creation. So the single tax has a direct impact on flows of capital, which would put downward pressure on interest rates.

The third thing the member did not touch on in his address on tax reform has to do with productivity. With a fair tax system I believe people would work harder and smarter and therefore the cost of goods would go down, which would help our exports tremendously, which would increase the bottom line, not only in business but in corporate tax revenues to the treasury also.

The member did not deal with those three specific features, which are part and parcel of the single tax system. Since the member is an economist, I wonder if he would consider they would be valid premises to work on.

Mr. Grubel: Mr. Speaker, I am happy to respond to those ideas. Clearly, I did not have enough time to go into all the advantages.

I have attended several conferences on the subject of the underground economy. The high marginal tax rate certainly has an effect on it, but the emphasis recently has been on the role of the GST. Clearly, they interact, but it would help.

On the other hand, I have been quite convinced by evidence that was educed about the size of the underground economy and especially by some simulations made by the Ministry of Finance. It turns out that while it looks like it is very big, it really probably is no more than about 5 per cent of national income. However, this is not the time to discuss that. Maybe we could do it some other time.

On larger pools of capital, I can give a personal view, which is not a Reform Party position. Long before I was a member of Parliament I used the idea in my lectures that if I were in charge I would lower the capital gains rate and the rate on corporations in Canada to 5 per cent and I would make Canada the Switzerland of North America. I have speculated that probably we could have had so much capital flowing in, especially during the period of the cold war, when we were under the protection of the Americans, that the revenue raised at 5 per cent would have been grater than the revenue we raise at our high rates at the moment. I think Americans are thinking about that as well. I am sure that if the Americans are going to lower their tax rate on corporations and we do not follow we will have exactly the opposite problem of what the hon. member is talking about.

• (1710)

The issue in a strictly economic seminar is an oversimplification, in a way, in today's world of integrated capital markets. Money is flowing in at essentially a risk adjusted rate where we can borrow as much as we want to. Our problem is that we are not saving enough.

To the extent that the lower tax rates on income would lower the incentive to consume and would encourage savings, we would probably lower the interest rate marginally. However, that would not be the main effect. Nevertheless, I appreciate that the member has called my attention to the idea that there is this effect on capital markets.

Finally, he noted that productivity would increase. Indeed, most people agree that the high marginal tax rates on income and on capital have led to distortions in the decisions of individuals in the allocation of their time between effort and work, between savings and investment, which overall have resulted in a lowering of productivity. It is therefore agreed widely about the direction in which the incentives would go by lowering the marginal tax rates. There is little doubt about this encouraging more work, discouraging leisure, encouraging more savings and discouraging consumption. That would be all to the good.

The problem is that econometric estimates of those effects are extremely difficult. Nobody really has been able to prove that there would be such a very large effort. I think the conclusion has been that the main effect of the high marginal tax rates on income and capital in the past has been to change the allocation of resources, which leads to distortions, which are essentially costly to society.

Being a little bit cautious about this point does not mean that I reject the hon. member's suggestion. I think it should be considered as another plus of us studying and perhaps ultimately adopting a simplified, open, and cheap new flat tax system.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I am happy to have this opportunity to participate in the debate on Bill C–70, an act to amend the Income Tax Act.

The bill seeks to implement a number of measures that were introduced in 1994 budget, along with certain measures that have been announced by the government at other times over the last year.

The fiscal challenge facing this country has been a topic of considerable debate, both in the House and across the country. Few dispute the scope of the challenge. Few dispute that difficult choices must be made. Few dispute that we must act decisively. As well, few dispute that fairness and effectiveness must be essential guiding principles of any and all steps that are taken to overcome our deficit challenge.

These principles have guided the government as we have worked to restrain our spending. They guided the minister in crafting the budget that was presented in February. However, for the moment and for a discussion of this legislation, let me take hon. members back to the budget of last year.

Spending cuts alone could not deliver the deficit reductions that were set out at that time. Spending constraints had to be complemented with some measures on the tax side. Doing so was simply a question of fairness. It was our vision of fairness that guided us as we looked at the tax system, addressing unsustainable tax preferences instead of imposing general tax increases on Canadian taxpayers.

In looking at the corporate tax regime, we sought to ensure that corporations paid their fair share of the tax revenues needed to fund government programs and to prevent certain businesses or sectors from taking undue advantage of certain tax provisions.

• (1715)

With this in mind the budget last year proposed a number of measures to the rules governing the taxation of business income. Let me stress our goal was not to penalize the business sector, nor to impede the competitiveness of Canadian corporations. We believe it is essential to maintain a competitive tax system in today's global economy.

We cannot disregard and we do not disregard the role of business in creating and sustaining employment; nor do we ignore the pressures faced by Canadian companies as they operate in fiercely competitive markets both at home and abroad.

One fairness issue the budget addressed was the tax rules dealing with debt forgiveness and foreclosures. Under the old provisions of the income tax, many transactions involving the settlement of debt were not recognized in any meaningful way for tax purposes. The new rules provide a comprehensive basis to deal with debt settlement. In general they provide that forgiven debt amounts will be applied to loss carry forwards and expenses or partially included in the debtor's income. However, there are special relieving rules to minimize undue hardship from these new rules.

Let me turn now to the tax treatment of securities held by financial institutions. Until now the Income Tax Act has not provided specific rules regarding the tax treatment of such securities. The measures proposed in this bill seek to reduce uncertainty in this regard and also to ensure the income derived from such securities is measured appropriately.

The amendments provide that certain securities be marked to market; that is, the appreciation or depreciation in their value each year must be recognized in that year. In keeping with our goal of fairness, the amendments include a transitional rule that allows increases in income resulting from the new rules to be spread over five years. These new measures are generally effective after February 21, 1994.

In addition, new rules are provided for debt securities not required to be marked to market. These rules deal with the measurement of income while the securities are held and the treatment of gains and losses on disposition.

Bill C–70 also amends the rules for the taxation of resident shareholders of foreign affiliates. This action is being taken as a result of the government's ongoing monitoring of developments in this area. The changes expand the categories of income of foreign affiliates which must be reported as income of their Canadian affiliates.

Another modification prevents the use of an affiliate's foreign active business losses to reduce Canadian shareholders' income. This change protects the shareholders but also protects the Canadian tax base. The amendments are generally effective for taxation years commencing after 1994.

Let me turn now to six other tax measures announced during the months after the 1994 budget. First, this bill addresses the issue of eligible prepaid funeral and cemetery arrangements. That is I have heard from my constituents about. Under this legislation individuals making such arrangements will not have to declare interest on the deposits up to a $15,000 maximum

contribution as income provided the deposit is not withdrawn for other purposes. The provider of eligible funeral and cemetery arrangements is, however, required to include in income the total amount received from the eligible arrangement.

Turning to the next measure, the bill proposes real estate trusts with publicly traded units be allowed to qualify as mutual fund trusts. This measure responds to representations from the real estate sector, which is interested in expanding the available methods of financing real estate. We believe the proposed change will facilitate the restructuring and refinancing of this sector.

• (1720)

The third of these post–budget measures is the measure that will help mutual funds reduce overhead costs and improve service to investors. These amendments allow mutual fund corporations to convert to mutual fund trusts on a tax free basis and also allow tax free mergers of mutual fund trusts.

The bill also proposes new rules to speed the resolution of objections and appeals, particularly by large corporations. Large corporations will now have to specify the issues under dispute, the amount of relief sought and the facts and reasons for objecting.

Those of us who speak on the public accounts committee are well aware of the tremendous losses that can be incurred to the Canadian taxpayers by cases that go on far too long without enough rules to constrain the matters that can be brought into those cases.

The rules also limit the ability of large corporations to raise new issues in the notice of objection where the objection relates to a reconsideration of an assessment. However, new issues raised by Revenue Canada on such reconsiderations may still give rise to notice of objection.

We are trying to be fair on both sides without unduly exposing the Canadian taxpayers to risks through prolonged court cases on interpretation of tax legislation.

In addition, this legislation will ensure the new requirements relating to notices of objection will not apply to assessments appealed to court before this legislation receives royal assent. In other words, we are not changing the rules retroactively which I think everyone would agree is only fair.

The final measure I want to highlight deals with the tax treatment of dividend compensation payments and other amounts connected with securities lending. The Income Tax Act currently provides that the lender of securities not be treated as having disposed of the security under these arrangements. As well, payments to the lender as compensation for dividends are treated as dividends in the lender's hands.

While these dividend compensation payments are generally not tax deductible, a special rule established in 1989 allows security dealers to deduct two–thirds of such payments. This legislation extends the use of the two–thirds rule, ensuring our securities industry remains competitive.

However, the deduction of these payments will be somewhat limited and I can assure hon. members the government will continue monitoring these measures to make certain they operate effectively.

Other changes clarify the effects of certain dividend rental arrangements and the means of securities dealers registered or licensed to trade in securities for purposes of the Income Tax Act.

In closing, Bill C–70 amends the Income Tax Act equitably and fairly. It seeks to better target tax assistance delivered to certain business sectors while at the same time broadening the tax base and thus protecting government revenues and, as we all know, that means the revenues of Canadians. The legislation contained in this bill also clarifies a number of important issues related to the act.

In considering the measures before us I have no hesitation in encouraging all hon. members to support the bill at this stage so that measures announced by the government during the last year can become effective to the benefit of the tax system and to the benefit of Canadians.

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, before I get into this subject any further, in the limited time at my disposal, I must take a moment to situate this bill. Bill C–70 implements measures from the budget, last year's budget, that is. It was tabled at first reading before this year's budget. It is a series of fairly technical measures, highly complex ones true to the image of today's tax system. We will be examining these measures further in committee, so I will spare you all the details.

• (1725)

One measure was the focus of discussions before and after the elections and within the Liberal Party and has been raised by the Bloc Quebecois as well since the elections. It is the whole issue of foreign affiliates, commonly known as tax havens, raised by the Auditor General. This fairly voluminous bill contains various measures. A number are indeed positive. However, it does not go very far and it skirts a number of issues. This could be called a timid reform, which enables the government to say that it has satisfied some of the Auditor General's requests, but it does not go far enough. There is no mention of the list of countries with which we have tax agreements. Sixteen countries are listed as having agreements deemed to be sources of problems.

The aim of tax agreements is to avoid or enable businesses to avoid double taxation. This is laudable and understandable. The problem arises when different countries have different tax rates. At this point we start talking about fickle businesses. They produce in various countries, sell their products from one business to another and with the cost transfers, manage to switch profits and losses between countries. This causes problems because profits are transferred to places with the highest rate of taxation and losses can be deducted in others.

And then you have countries like Canada, where interest charges are allowable expenses. This makes matters worse and it is an extremely complex task to tackle corporations with operations in several countries. Slightly higher, stricter standards are set for them, to determine whether they are really producing, but the fact remains that it is not easy to figure out, particularly when rates vary widely. So, there is a need to look seriously into this and not in a piecemeal fashion as it has been the case for a while now.

This brings to mind the whole Liberal approach to taxation. When they were in opposition and during the election campaign, the Liberals used to say that the way to deal with taxation was not piecemeal but comprehensively. So far, not much has been done in this respect. A piecemeal approach continues to be applied to very technical, complex issues. Sometimes positive measures are taken. Still, they miss the main point, that is to say streamline the whole system, make the tax system less complex and easier to understand, which furthers the goal of transparency and restores people's confidence in their institutions and elected representatives, particularly as regards this trust that was lost.

I wish to take this opportunity to draw a parallel with a tax matter on which the government made a rather clear commitment, namely to do away with the goods and services tax. If you think back a little, originally, when this legislation was first passed, it was fiercely opposed by the Liberals in this place, the other place and everywhere. They opposed it even more strongly in the days and months that followed, going as far as promising, during the election campaign, to replace it within two years, that is to say by January 1, 1996, eight months from now. But there is no concrete proposal on the table yet. Considering how long it takes to develop and draft this kind of document and how quickly the GST was implemented, causing a great many problems, it is safe to assume that the government will be unable to honour and fulfil its commitment in the next eight months. Furthermore, this is another reform characterized by a piecemeal approach.

I will get to elaborate further on this subject in the second part of my remarks, to be continued when debate is resumed. I just want to say for now that this bill contains some good measures, which we will consider in committee. There is one in particular that we will consider thoroughly and it deals with foreign corporations. But we will do so bearing in mind that this piecemeal approach must end. A more comprehensive approach to taxation must be taken.

The Acting Speaker (Mr. Kilger): I wish to thank the hon. member for Témiscamingue for his co–operation.

* * *

BUDGET IMPLEMENTATION ACT, 1995

The House resumed from April 6 consideration of the motion that Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and the amendment.

The Acting Speaker (Mr. Kilger): It being 5.30 p.m., pursuant to order made Thursday, April 6, 1995, the House will now proceed to the deferred recorded division on the amendment moved by Mr. Loubier at second reading of Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

Call in the members.

• (1750)

[*English*]

Before the taking of the vote:

Mr. Boudria: Mr. Speaker, a point of order. I think you would find unanimous consent to deal with the vote on private member's Bill C–263 at the conclusion of the other votes, in other words, after we complete all the votes on Bill C–43 later this day.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mr. Kilger): The question is on the amendment standing in the name of Mr. Loubier.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 191*)

YEAS

Members

Abbott	Althouse
Asselin	Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Breitkreuz (Yorkton—Melville)	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Crête	Cummins
Daviault	Debien
de Savoye	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier (Roberval)	Godin
Gouk	Grey (Beaver River)
Grubel	Guay

Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Rocheleau
Schmidt
Silye
Speaker
Strahl
Thompson
Venne
Williams—94

NAYS

Members

Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken
Mitchell
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin
Minna
Murray
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—143
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette-Maltais
Robillard
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

• (1800)

[*Translation*]

The Acting Speaker (Mr. Kilger): I declare the motion negatived.

* * *

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed from April 24 consideration of the motion that Bill C-69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, be read the third time and passed.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at the third reading stage of Bill C-69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

Mr. Boudria: Mr. Speaker, I rise on a point of order. There has been a slight change to what had been discussed informally a little earlier.

I think you would find unanimous consent to apply the vote just taken on the amendment to Bill C-76 at second reading in reverse to the motion now before the House. In other words, the

vote would be applied in reverse to the main motion for third reading of Bill C–69.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

Mr. Allmand: Mr. Speaker, I rise on a point of order. I did not vote on the last motion and I would like my name to be added to the government's vote on this bill.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 192)

YEAS

Members

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint–Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette–Maltais
Robillard
Rompkey
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin–Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—144

NAYS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Crête
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St–Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Bouchard
Brien
Bélisle
Caron
Cummins
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Rocheleau
Schmidt
Silye
Speaker
Strahl
Thompson
Venne
Williams—94

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond–Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the third time and passed.)

* * *

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed consideration of Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts, as reported (with amendments) from the committee.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the House will now proceed to the taking of the deferred division at report stage on Bill C–43.

[*English*]

The first question is on Motion No. 1.

• (1805)

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who have voted on the previous motion for third reading of Bill C–69 be recorded as having voted on the motion now before the House in the following manner: Liberal members voting nay.

Mr. Duceppe: Bloc Quebecois members also vote nay.

[*English*]

Mr. Silye: Mr. Speaker, the Reform Party will vote yea.

Mr. Taylor: The New Democrats will vote yea.

(The House divided on Motion No. 1, which was negatived on the following division:)

(*Division No. 193*)

YEAS

Members

Abbott
Axworthy (Saskatoon—Clark's Crossing)
Breitkreuz (Yorkton—Melville)
Cummins
Epp
Frazer
Grey (Beaver River)
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jennings
Kerpan
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Morrison
Ramsay
Robinson
Scott (Skeena)
Solberg
Strahl
Thompson
Williams—47

Althouse
Benoit
Brown (Calgary Southeast)
Duncan
Forseth
Gouk
Grubel
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Johnston
Manning
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Schmidt
Silye
Speaker
Taylor
White (Fraser Valley West)

NAYS

Members

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bernier (Gaspé)
Bethel
Blondin–Andrew
Bouchard
Brien
Brushett
Bélair
Bélisle
Campbell
Canuel
Catterall
Chan
Cohen
Collins
Copps
Crawford
Culbert
Debien
DeVillers
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fillion
Flis
Gagliano
Gagnon (Québec)
Gerrard
Godin
Graham
Guarnieri
Guimond
Harvard
Hopkins
Ianno
Jackson
Jordan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchand
Marleau
McCormick
McKinnon
McWhinney
Mifflin
Minna
Murray
Nault
Nunziata
O'Reilly
Paradis
Patry
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Reed
Richardson
Ringuette–Maltais
Robillard

Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bodnar
Boudria
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Cannis
Caron
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Crête
Daviault
de Savoye
Dhaliwal
Dromisky
Duceppe
Dumas
Easter
English
Finlay
Fontana
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gauthier (Roberval)
Godfrey
Goodale
Gray (Windsor West)
Guay
Harb
Hickey
Hubbard
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Shefford)
Loubier
MacLaren
Malhi
Manley
Marchi
Massé
McGuire
McTeague
Mercier
Milliken
Mitchell
Ménard
Nunez
O'Brien
Ouellet
Paré
Payne
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Rideout
Robichaud
Rocheleau

Rock
Sauvageau
Serré
Simmons
Speller
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Ur
Vanclief
Volpe
Wells
Wood
Zed—191

Rompkey
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St-Laurent
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 1 lost.

The next question is on Motion No. 2. A vote on this motion also applies to Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32 and 33. An affirmative vote on Motion No. 2 obviates the need for a vote on Motions Nos. 3, 15, 16, 17 and 18 but necessitates a vote on Motion No. 11. A negative vote on Motion No. 2 necessitates a vote on Motions Nos. 3, 11 and 16.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent for the members who voted on Bill C-69 to be recorded as having voted on the motion now before the House in the following manner with Liberal members voting nay.

[*Translation*]

Mr. Duceppe: Bloc Quebecois members vote yea.

[*English*]

Mr. Silye: Mr. Speaker, members of the Reform Party vote yes, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, the New Democrats vote no.

(The House divided on Motion No. 2, which was negatived on the following division:)

(*Division No. 194*)

YEAS

Members

Abbott
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Crête
Daviault
de Savoye
Duceppe

Asselin
Benoit
Bernier (Gaspé)
Bouchard
Brien
Bélisle
Caron
Cummins
Debien
Dubé
Dumas

Duncan
Fillion
Frazer
Gauthier (Roberval)
Gouk
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Thompson
Venne
Williams—89

Epp
Forseth
Gagnon (Québec)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Silye
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

NAYS

Members

Allmand
Anawak
Arseneault
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)

Althouse
Anderson
Assad
Augustine
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi

Maloney
Marchi
Massé
McGuire
McLaughlin
McWhinney
Milliken
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Robinson
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Taylor
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—149

Manley
Marleau
McCormick
McKinnon
McTeague
Mifflin
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette-Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 2 lost. I therefore declare Motions Nos. 4, 5, 6, 8, 12, 13, 14, 24, 26, 27, 32 and 33 lost.

[*Translation*]

The next question is on Motion No. 3. The vote on this motion also applies to Motion No. 15.

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who voted on Bill C-69 be recorded as having voted on the motion now before the House in the following manner: Liberal members voting yea.

• (1810)

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members also vote yea.

Mr. Silye: Mr. Speaker, members of the Reform Party vote yea, except for those members who wish to vote otherwise.

[*English*]

Mr. Taylor: Mr. Speaker, the New Democrats vote nay.

(The House divided on Motion No. 3, which was agreed to on the following division:)

(*Division No. 195*)

YEAS

Members

Abbott
Anawak
Arseneault
Assadourian
Augustine
Baker
Barnes
Bellehumeur
Benoit
Bernier (Gaspé)
Bethel
Blondin-Andrew
Bouchard
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Bélisle
Campbell
Canuel
Catterall
Chan
Cohen
Collins
Copps
Crawford
Culbert
Daviault
de Savoye
Dhaliwal
Dromisky
Duceppe
Dumas
Dupuy
Eggleton
Epp
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Roberval)
Godfrey
Goodale
Graham
Grey (Beaver River)
Guarnieri
Guimond
Hanrahan
Harper (Calgary West)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Jennings
Jordan
Keyes
Knutson
Lalonde
Langlois
Laurin
Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Shefford)
Loubier
MacLaren
Malhi
Manley
Marchand
Marleau
Massé
McCormick
McKinnon
McWhinney
Mifflin

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bellemare
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bevilacqua
Bodnar
Boudria
Brien
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Cannis
Caron
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Crête
Cummins
Debien
DeVillers
Discepola
Dubé
Duhamel
Duncan
Easter
English
Fillion
Flis
Forseth
Gagliano
Gagnon (Québec)
Gerrard
Godin
Gouk
Gray (Windsor West)
Grubel
Guay
Hanger
Harb
Harper (Simcoe Centre)
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Jacob
Johnston
Kerpan
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Lefebvre
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Marchi
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
McGuire
McTeague
Mercier
Milliken

Mills (Red Deer)
Mitchell
Murray
Nault
Nunziata
O'Reilly
Paradis
Patry
Penson
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Reed
Richardson
Ringma
Robichaud
Rocheleau
Rompkey
Schmidt
Scott (Skeena)
Sheridan
Simmons
Solberg
Speller
St. Denis
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Ur
Vanclief
Volpe
Wells
White (Fraser Valley West)
Wood
Zed—233

Minna
Morrison
Ménard
Nunez
O'Brien
Ouellet
Paré
Payne
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Ramsay
Regan
Rideout
Ringuette-Maltais
Robillard
Rock
Sauvageau
Scott (Fredericton—York—Sunbury)
Serré
Silye
Skoke
Speaker
St-Laurent
Steckle
Stewart (Northumberland)
Szabo
Terrana
Thompson
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Wappel
Whelan
Williams
Young

NAYS

Members

Althouse
McLaughlin
Taylor—5

Axworthy (Saskatoon—Clark's Crossing)
Robinson

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 3 carried and I therefore declare Motion No. 15 carried.

The next question is on Motion No. 11. The vote on this motion also applies to Motions Nos. 17 and 18.

Mr. Boudria: Mr. Speaker, I think you would find consent to apply the vote taken at report stage Motion No. 2 to the vote presently before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 194.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 11 lost. I therefore declare Motions Nos. 17 and 18 negatived.

The next question is on Motion No. 16.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who have voted on Bill C-69 be recorded as having voted on the motion now before the House in the following manner: Liberal members voting yea.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will vote nay.

[*English*]

Mr. Silye: Mr. Speaker, Reform Party members will vote yes, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, the New Democrats vote no.

(The House divided on Motion No. 16, which was agreed to on the following division:)

(*Division No. 196*)

YEAS

Members

Abbott
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bevilacqua
Bodnar
Breitkreuz (Yorkton—Melville)
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
Cummins
Dhaliwal
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Gouk

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bethel
Blondin-Andrew
Boudria
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Gagliano
Gerrard
Goodale
Graham

Gray (Windsor West)
Grubel
Hanger
Harb
Harper (Simcoe Centre)
Harvard
Hermanson
Hill (Macleod)
Hoeppner
Hubbard
Irwin
Jennings
Jordan
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marchi
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
McGuire
McTeague
Mifflin
Mills (Red Deer)
Mitchell
Murray
Nunziata
O'Reilly
Paradis
Payne
Peric
Peterson
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringma
Robichaud
Rock
Schmidt
Scott (Skeena)
Sheridan
Simmons
Solberg
Speller
Steckle
Stewart (Northumberland)
Szabo
Terrana
Thompson
Ur
Vanclief
Wappel
Whelan
Williams
Young
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)
Hart
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins
Ianno
Jackson
Johnston
Kerpan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Marleau
Massé
McCormick
McKinnon
McWhinney
Milliken
Minna
Morrison
Nault
O'Brien
Ouellet
Patry
Penson
Peters
Phinney
Pillitteri
Ramsay
Regan
Rideout
Ringuette-Maltais
Robillard
Rompkey
Scott (Fredericton—York—Sunbury)
Serré
Silye
Skoke
Speaker
St. Denis
Stewart (Brant)
Strahl
Telegdi
Thalheimer
Torsney
Valeri
Volpe
Wells
White (Fraser Valley West)
Wood
Zed—186

NAYS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Crête
Debien
Dubé
Dumas
Gagnon (Québec)
Asselin
Bellehumeur
Bernier (Gaspé)
Bouchard
Bélisle
Caron
Daviault
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Mercier
Nunez
Picard (Drummond)
Pomerleau
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
Loubier
McLaughlin
Ménard
Paré
Plamondon
Robinson
Sauvageau
Taylor
Venne—52

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 16 carried.

The next question is on Motion No. 7.

[*Translation*]

Mr. Boudria: Mr. Speaker, if you were to seek it, I believe you would find unanimous consent that those members who voted on Bill C-69 be recorded as having voted on the motion now before the House, with the result being applied in reverse.

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

(The House divided on Motion No. 7, which was negatived on the following division:)

(*Division No. 197*)

YEAS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Crête
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Gouk
Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Bouchard
Brien
Bélisle
Caron
Cummins
Debien
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Godin
Grey (Beaver River)

Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Robinson
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Taylor
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)

Guay
Hanger
Harper (Calgary West)
Hart
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Rocheleau
Schmidt
Silye
Speaker
Strahl
Thompson
Venne
Williams—94

NAYS

Members

Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin

Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Loney
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken

Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Richardson
Ringuette-Maltais
Robillard
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—144

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)

Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 7 lost.

• (1815)

The next question is on Motion No. 9.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent for those members who voted on Bill C-69 to be identified as having voted on the motion now before the House in the following manner with Liberal MPs voting yea.

[*Translation*]

Mr. Duceppe: Mr. Speaker, the Bloc Quebecois members will vote nay.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Mr. Speaker, Reform Party members vote yes, except for those members who wish to vote otherwise.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Mr. Speaker, the New Democrats vote no.

[*Editor's Note: See list under Division No. 196.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 9 carried.

The next question is on Motion No. 19.

Mr. Boudria: Mr. Speaker, since we are voting on Motion No. 19, I think you would find consent for those members who voted on report stage Motion No. 1 to be recorded as having voted in exactly the same manner as the motion now before the House.

[*Translation*]

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 193.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 19 lost.

[*Translation*]

The Acting Speaker (Mr. Kilger): The next question is on Motion No. 22, in Group No. 4. An affirmative vote on Motion No. 22 obviates the need for a vote on Motion No. 23. A negative vote on Motion No. 22 necessitates a vote on Motion No. 23.

Order, please. I hear comments regarding Motion No. 21. That motion was already put and agreed to.

I have just received confirmation that, before proceeding with Group No. 3, Motion No. 21 was put and agreed to earlier today.

• (1820)

The next question is on Motion No. 22.

Mr. Boudria: Mr. Speaker, I think you would find there is unanimous consent for those members who voted on Bill C–69 to be recorded as having voted on the motion now before the House in the following manner with Liberal members voting nay.

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will vote yea.

[*English*]

Mr. Silye: Mr. Speaker, which motion are we voting on?

The Acting Speaker (Mr. Kilger): We are now dealing with group four, Motion No. 22.

Mr. Silye: Reform Party members vote no, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, New Democrats vote yea on this motion.

[*Translation*]

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 198*)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Crête
Debien
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Marchand
Mercier
Nunez
Picard (Drummond)
Pomerleau
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)
Asselin
Bellehumeur
Bernier (Gaspé)
Bouchard
Bélisle
Caron
Daviault
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
Loubier
McLaughlin
Ménard
Paré
Plamondon
Robinson
Sauvageau
Taylor
Venne—52

NAYS

Members

Abbott
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Benoit
Bevilacqua
Bodnar
Breitkreuz (Yorkton—Melville)
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Copps
Crawford
Cummins
Dhaliwal
Dromisky
Duncan
Easter
English
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Gouk
Gray (Windsor West)
Grubel
Hanger
Harb
Allmand
Anderson
Assad
Augustine
Baker
Barnes
Bellemare
Bethel
Blondin-Andrew
Boudria
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
DeVillers
Discepola
Duhamel
Dupuy
Eggleton
Epp
Flis
Forseth
Gagliano
Gerrard
Goodale
Graham
Grey (Beaver River)
Guarnieri
Hanrahan
Harper (Calgary West)

Harper (Simcoe Centre)	Hart
Harvard	Hayes
Hermanson	Hickey
Hill (Macleod)	Hill (Prince George—Peace River)
Hoeppner	Hopkins
Hubbard	Ianno
Irwin	Jackson
Jennings	Johnston
Jordan	Kerpan
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Loney	MacDonald
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Marchi	Marleau
Martin (Esquimalt—Juan de Fuca)	Massé
McClelland (Edmonton Southwest)	McCormick
McGuire	McKinnon
McTeague	McWhinney
Mifflin	Milliken
Mills (Red Deer)	Minna
Mitchell	Morrison
Murray	Nault
Nunziata	O'Brien
O'Reilly	Ouellet
Paradis	Patry
Payne	Penson
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Pillitteri
Proud	Ramsay
Reed	Regan
Richardson	Rideout
Ringma	Ringuette-Maltais
Robichaud	Robillard
Rock	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Scott (Skeena)	Serré
Sheridan	Silye
Simmons	Skoke
Solberg	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Strahl
Szabo	Telegdi
Terrana	Thalheimer
Thompson	Torsney
Ur	Valeri
Vanclief	Volpe
Wappel	Wells
Whelan	White (Fraser Valley West)
Williams	Wood
Young	Zed—186

PAIRED MEMBERS

Alcock	Bachand
Chrétien (Frontenac)	Dalphond-Guiral
Deshaies	Gaffney
Gallaway	Grose
Lefebvre	Leroux (Richmond—Wolfe)
McLellan (Edmonton Northwest)	Parrish

The Acting Speaker (Mr. Kilger): I declare Motion No. 22 lost.

[*English*]

The next question is on Motion No. 23.

Mr. Boudria: Mr. Speaker, I believe you would find unanimous consent to apply the vote taken on Bill C–69 in reverse to the motion now before the House.

If the House would also consider it, we could apply the same vote to Motions Nos. 25 and 28 at the same time. In other words, we would now be voting on Motions Nos. 23, 25 and 28 along with all the consequential amendments.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the chief whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 197.*]

The Acting Speaker (Mr. Kilger): I declare Motions Nos. 23, 25 and 28 negatived.

[*Translation*]

The next question is on Motion No. 30.

[*English*]

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the results of the vote on report stage Motion No. 3 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the Chief Whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Mr. Speaker, would you clarify which motion we are voting on?

The Acting Speaker (Mr. Kilger): The motion we are dealing with is Motion No. 30.

Mr. Taylor: New Democrats would be voting no on this one, Mr. Speaker.

[*Translation*]

[Editor's Note: See list under Division No. 195.]

The Acting Speaker (Mr. Kilger): I declare Motion No. 30 carried.

• (1825)

[*English*]

The next question is on Motion No. 31.

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent to apply the results of the vote on Motion No. 1 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the chief whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 193.*]

The Acting Speaker (Mr. Kilger): I declare Motion No. 31 negatived.

Hon. John Manley (Minister of Industry, Lib.) moved that the bill, as amended, be concurred in and read the second time.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, I rise on a point of order.

I believe you would find unanimous consent to apply the results of the vote on Bill C–69 to the motion now before the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): Does the chief whip for the Bloc Quebecois agree?

Mr. Duceppe: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): Does the Reform Party whip agree?

Mr. Silye: Agreed.

The Acting Speaker (Mr. Kilger): Does the NDP agree?

Mr. Taylor: Agreed.

[*Editor's Note: See list under Division No. 192.*]

The Acting Speaker (Mr. Kilger): I declare the motion carried.

PRIVATE MEMBERS' BUSINESS

[*English*]

FINANCIAL ADMINISTRATION ACT

The House resumed from April 24 consideration of the motion that Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof (exempted crown corporations), be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): The House will now proceed to the taking of the deferred division on the motion of Mr. Hart at second reading stage of Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof (exempted crown corporations).

As is the practice, the division will be taken row by row, starting with the mover and then proceeding with those in favour of the motion sitting on the same side of the House as the mover. Then those in favour of the motion sitting on the other side of the House will be called. Those opposed to the motion will be called in the same order.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 199*)

YEAS

Members

Abbott	Asselin
Bellehumeur	Benoit
Bergeron	Bernier (Gaspé)
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Breitkreuz (Yorkton—Melville)	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Caron
Crête	Cummins
Daviault	Debien
de Savoye	Dubé
Duceppe	Dumas
Duncan	Epp
Fillion	Forseth
Frazer	Gagnon (Québec)
Gauthier (Roberval)	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Hart
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)

Hoeppner
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Mercier
Morrison
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Silye
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
White (Fraser Valley West)
Jacob
Johnston
Landry
Laurin
Lebel
Lefebvre
Loubier
Marchand
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Scott (Skeena)
Solberg
St-Laurent
Thompson
Venne
Williams—88

NAYS

Members

Allmand
Anawak
Arseneault
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Chamberlain
Clancy
Collenette
Comuzzi
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Godfrey
Graham
Guarnieri
Harvard
Hopkins
Ianno
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
McCormick
McKinnon
McWhinney
Minna
Murray
Nunziata
O'Reilly
Paradis
Payne
Peters
Phinney
Pillitteri
Reed
Althouse
Anderson
Assad
Augustine
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bethel
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Chan
Cohen
Collins
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Harb
Hickey
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacLaren
Malhi
Marchi
Massé
McGuire
McTeague
Milliken
Mitchell
Nault
O'Brien
Ouellet
Patry
Peric
Peterson
Pickard (Essex—Kent)
Proud
Regan
Richardson
Ringuette-Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
Speller
Steckle
Stewart (Northumberland)
Taylor
Terrana
Torsney
Valeri
Volpe
Wells
Wood
Zed—143
Rideout
Robichaud
Robinson
Rompkey
Serré
Skoke
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Ur
Vanclief
Wappel
Whelan
Young

PAIRED MEMBERS

Alcock
Chrétien (Frontenac)
Deshaies
Gallaway
Lefebvre
McLellan (Edmonton Northwest)
Bachand
Dalphond-Guiral
Gaffney
Grose
Leroux (Richmond—Wolfe)
Parrish

The Acting Speaker (Mr. Kilger): I declare the motion lost.

It being 6.37 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

* * *

INTERPRETATION ACT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP) moved that Bill C-254, an act to amend the Interpretation Act (convention on the rights of the child) be read the second time and referred to a committee.

He said: Mr. Speaker, it is my pleasure to bring forward this bill on behalf of all Canadian children. It amends the Interpretation Act to provide that every act of Parliament shall be construed and applied as not to abrogate, abridge or infringe any of the rights recognized in the convention on the rights of the child. It is as close as a private member's bill can come to introducing a children's bill of rights.

At the World Summit for Children, held at the United Nations in 1990, 71 world leaders, the largest gathering of world leaders ever, discussed actions that could better the lives of children throughout the world. As a result of that summit, the United Nations developed the convention on the rights of the child which Canada ratified on December 13, 1991.

I am proud to say that Canada took an active role in the summit and in helping to develop the convention which provides us with a set of standards that confirms the respect our society

gives its youngest and most vulnerable and recognizes that they need special safeguards and care.

● (1840)

Responsibility for implementing the rights set out in the convention is shared by federal, provincial and territorial governments. International human rights conventions, even if ratified by Canada, do not automatically become part of domestic law. Canadian courts do, however, frequently refer to them in interpreting and applying domestic law and, in particular, in interpreting and applying the Canadian Charter of Rights and Freedoms.

This private member's bill, if passed, would require the Government of Canada to interpret all legislation in harmony with the UN declaration on the rights of the child, which, as I say, Canada was instrumental in engineering. Essentially Canada's laws will comply with the convention.

Canada must continue to be a leading force in protecting children's rights both at home and around the world. In order to do that we must ensure that our international commitments are treated seriously and that federal legislation complies with the convention that the government signed on behalf of all Canadians.

The world summit and the convention were both predicated on the notion that children should have first call on the nation's resources in both good times and bad. In other words, Canada and the other countries that signed the convention should put children first at all times.

A year before the summit, in November 1989, the House debated a motion in the following words:

> That this House express its concern for the more than one million Canadian children currently living in poverty and seek to achieve the goal of eliminating poverty among Canadian children by the year 2000.

The motion was unanimously passed by the members of the House of Commons.

At that time there were approximately 956,000 children under the age of 18 living in poverty. The subcommittee on poverty proceeded some time after that to address the problem, but did nothing very much to improve the situation of child poverty.

Looking at the shocking reality of what has happened since, the situation has worsened. Recently, Statistics Canada showed that in 1993 child poverty reached a 14–year high, despite the fact that the Canadian economy had made a modest recovery. In 1993 almost 1.5 million Canadian children, which is one in five, lived in some deprivation. Many of these children live not just in poverty, but are very poor. Clearly that is unacceptable. With only five years left until the year 2000 it is clear that the government must move quickly or the 1989 House of Commons resolution will be nothing more than empty words.

Last year I tried to move the same motion but was refused support from at least the Reform Party and possibly others. In other words, we have regressed in terms of our commitment to Canadian children since 1989.

The bill would go a long way to ensuring that the issue of child poverty and children's rights will be addressed. However, it will do more. It will ensure that the nation's children should always be put first, that they will be given the protection and assistance they need in order to grow to become happy, healthy and productive adults. It will enforce the concept that Canadian children be free from exploitation and abuse; that government action should be interpreted with regard to children in the best interests of the child; that children should have access to child care, health care and a standard of living that, at minimum, meets basic needs; and that disabled children should receive the same level of dignity and opportunity as other children.

If we are going to put words into action, if we are going to do anything other than spout empty words, it is vital that the commitments which Canada has made on behalf of its children to the world community are enforced by the government.

I would like to refer to some of the provisions and point out some of the problems that are faced in Canada with regard to the international commitment made when the UN convention was signed and when Canada committed itself to ensuring that children have the first call on resources.

A provision in article 6 says that Canada and other nations shall ensure, to the maximum extent possible, the survival and development of the child. Canada has 1.5 million children living in poverty. Clearly we are a long way from recognizing and enforcing the commitment which we made to our children and to the world economy. Article 17 of the convention talks about education, clearly a core element in the development of our children.

● (1845)

In that article there is provision that Canada and other nations encourage the production and dissemination of children's books. After many attempts in the last Parliament to remove the GST from children's books, which the last government recognized as being detrimental to educational expectations, that GST still remains on books and this government has done nothing to reduce it. There are measures we can take there to ensure that the commitment we made with regard to education and the dissemination of education can be met.

In article 18, Canada and all other nations agreed to take all appropriate measures "to ensure that children of working parents have the right to benefit from child care services and facilities for which they are able". We have seen the reneging of commitments with regard to child care, commitments that were in the red book. Over the years we have seen a clear derogation

on the part of the Government of Canada to respond in a critical way for the protection and benefit of children as well of course for those parents who need to work in order to maintain their families. With regard to child care, the government clearly is also not responding to the spirit and words of the convention.

Canada also agreed to take all appropriate legislative, administrative, social and educational measures to protect children from all forms of physical and mental violence, injury or abuse, neglect or negligent treatment, maltreatment or exploitation, including sexual abuse. The cuts to social programs, which continue under this government in spite of the aggressive opposition to the same cuts when this government was in opposition, mean that we cannot effectively say that we are responding positively to this provision of the convention either. We are not taking all appropriate legislative, administrative, social, and educational measures to protect children in this way. Indeed, we are going backwards.

There are special provisions in article 23 to respond to the special needs of disabled children. In particular, it indicated that we commit ourselves to assistance that will be designed to ensure that the disabled child has effective access to and receive education, training, health care services, rehabilitation services, preparation for employment and recreation opportunities in a manner conducive to the child's achieving the fullest possible social integration and individual development, including his or her cultural and spiritual development.

We all know from our own experiences across this country that we are far from responding positively to the needs of disabled children.

In article 24 we have a commitment to recognize the right of the child to the enjoyment of the highest attainable standard of health and to facilities for the treatment of illness and rehabilitation of health. This government once again follows the Tories in cutting funding to health care, clearly making it more and more difficult for children to receive access to the highest attainable standard of health care, which this country committed itself to providing. Again, we are in breach of this convention.

In regard to the pursuit of health care facilities for children, we agreed to combat disease and malnutrition, including within the framework of primary health care. Clearly, with 1.5 million children we have not addressed the concerns of malnutrition. Indeed, as those numbers increase we make it clear that we are going backwards rather than forward.

With regard to social programs, Canada and the other countries recognized for every child the right to benefit from social security, including social insurance, and to take the necessary measures to achieve the full realization of this right. Once again, we have not responded to that obligation. We have been cutting social programs at the federal level, and many provinces have also cut their social programs, I might add, although not the provinces of Ontario, Saskatchewan, and British Columbia, which are NDP provinces.

With regard to article 27, we agreed to recognize the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral, and social development. Again, the fact that we have 1.5 million children living in poverty makes it clear that we have done nothing to deal with this question in the last budget. Again we saw the government renege on its commitment dealing with child poverty.

In article 28 we see a commitment on the part of Canada to recognize the right of a child's education and in particular to make higher education accessible to all on the basis of capacity by every appropriate means. We again see cuts to post–secondary education funding in this budget of 10 per cent, the 10 per cent reduction on the health and social transfer. Again, how can we possibly be said to be responding to these international commitments when we make these cuts? Not only are we not responding to these commitments that we made, but of course we are undermining our ability to be competitive in the world economy in the future.

• (1850)

We also have agreed to take measures to encourage regular attendance in school and the reduction of drop–out rates. There is much we need to do in order to address this particular problem. Again, we need a concerted full effort to address our drop–out problem.

We have a commitment in article 23 to recognize the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education or to be harmful to the child's health or physical, mental, spiritual, moral or social development. We have yet to take effective measures to bar the importation of products made by child labour in countries where that child labour is also illegal. I only need to point out the issue of carpets to know that we have not done all we could do in that regard.

We also have committed ourselves under article 34 to undertake to protect the child from exploitive use in prostitution and other unlawful sexual practices. Anyone who spends any time in any of our inner cities will know that there are many children who are participating in the sex trade, again flowing from poverty, flowing from a loss of hope, things this government and this country should be able to do something about.

There are provisions dealing with some changes this House made, against the wishes of the New Democratic Party, with regard to the Young Offenders Act. Canada made commitments with regard to young offenders in the convention. Among other things, we committed ourselves to making imprisonment of a child a matter of last resort and for the shortest appropriate period of time. In flagrant disregard for that commitment, this

House not very long ago increased sentences for young offenders.

Last, Canada recognized under article 40 the right of every child alleged as, accused of, or recognized as having infringed the criminal law to be treated in a manner consistent with the promotion of the child's sense of dignity and worth, which reinforces the child's respect for the human rights and fundamental freedoms of others and which takes into account the child's age and the desirability of promoting the child's integration and the child's assuming a constructive role in society.

Again, the changes this Parliament made, contrary to the wishes of the New Democratic Party and all those experts on children, flies in the face of this commitment too.

In closing, I would like to say that what is being asked for here in this bill and what I am asking on behalf of all Canadian children is that this House recognize the commitments Canada made on behalf of all Canadians among its international peers to commit resources to children, to put children at the first call of Canada's resources, and to respond to the specific provisions contained in the convention.

Canada has a long way to go. Indeed, I think we have gone in the opposite direction. It would be important if we made a change in direction, if we put children first and if we kept our word to the international community on behalf of our children.

Mr. Speaker, while this bill was not granted votable status in the committee, I wonder if I might ask for unanimous consent for it to be votable, in which case it could then be votable at some later stage.

The Acting Speaker (Mr. Kilger): The House has heard the terms of the motion of the hon. member for Saskatoon—Clark's Crossing. Is there unanimous consent to make his motion votable?

Some hon. members: Agreed.

Some hon. members: No.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I would like to take this opportunity to consider Bill C–254, which the member for Saskatoon—Clark's Crossing has introduced.

Bill C–254 proposes to amend the Interpretation Act to provide that every act of Parliament shall be construed and applied so as not to abrogate, abridge, or infringe any rights recognized in the convention on the rights of the child.

• (1855)

Bill C–254 also deems the reservations and statement of understanding Canada entered upon ratification not to be part of the convention.

Before commenting on Bill C–254, I will briefly examine the process that led to Canada's ratification of the convention.

Members are no doubt aware that Canada played an active role in the world summit for children held in September 1990. At that time world leaders spoke of the need for action to better the lives of the world's children. Canada's efforts at the world summit and its involvement in drafting the convention on the rights of the child served as a catalyst for increased federal efforts on behalf of children in Canada. These efforts, which included such initiatives as the action plan for Canada, entitled "Brighter Futures", began with the ratification of the convention on the rights of the child on December 13, 1991.

Canada's ratification of the convention on the rights of the child followed extensive consultations with the provinces and territories under the auspices of the continuing committee of federal, provincial, and territorial human rights officials. Since 1975 the continuing committee of officials on human rights examines questions concerning domestic implementation whenever Canada contemplates ratifying or acceding to another international human rights instrument. Consultations with national aboriginal representatives and organizations formed another important element of the consultations prior to ratifying the convention on the rights of the child.

These federal, provincial, and territorial consultations are held because while the federal government has the power to sign, ratify, or accede to international instruments, many human rights matters fall within spheres of provincial jurisdiction under the Constitution Act of 1867.

In Canada, international human rights conventions that Canada has ratified do not automatically become part of the domestic law so as to enable individuals to go to court when they are breached. Rather, each level of government is responsible for implementing in legislation or in practice those human rights obligations that arise within the constitutional powers it possesses. For this reason, Canada seeks provincial and territorial support before ratifying international human rights instruments.

Toward this end, legislation was reviewed at the federal level for consistency with the convention on the rights of the child. In particular, federal officials considered whether changes in legislation were required or whether Canada should consider entering a specific reservation or statement upon the standing to the convention. With respect to the latter, the law of treaties provides that in making a reservation a state or a nation indicates

that it is not bound by an obligation of the convention. In a statement of understanding the state explains how it interprets a particular convention obligation where the nature of the obligation is unclear.

Following the federal review of legislation and a similar review at the provincial and territorial level, Canada decided to enter two reservations and one statement of understanding to the convention on the rights of the child. I will speak to those two.

Canada entered a reservation to article 37(c) to ensure that in determining the custodial arrangements for a young offender, the well–being of other young offenders and the safety of the public may be taken into account.

Canada entered a reservation to article 21 and a statement of understanding to article 30 following consultations with national aboriginal organizations. Canada entered a reservation to article 21 to preserve customary forms of care among aboriginal peoples in Canada. By its statement of understanding to article 30, Canada seeks to ensure that in implementing the convention in relation to aboriginal children the child's right to enjoy his or her own culture, to profess and practise his or her own religion, or to use his or her own language are considered.

• (1900)

The Government of Canada takes seriously its obligation to implement the obligations of the convention on the rights of the child in Canada.

However, implementing these obligations without reference to the reservations and statement of understanding which Canada entered to the convention, as section 39.1(4) of Bill C–254 contemplates, would not reflect the manner in which Canada determines the custodial arrangements of young offenders and the concerns of aboriginal peoples of Canada. In this way Bill C–254 does not reflect the result of extensive consultations with provincial and territorial governments and with national aboriginal organizations. Therefore, I cannot support Bill C–254.

Bill C–254 also proposes to change fundamentally the relationship between domestic and international law in Canada. As I mentioned earlier, international human rights conventions that Canada has ratified do not automatically become part of domestic law so as to enable individuals to go to court when they are breached.

Bill C–254 would fundamentally change the existing relationship between domestic and international law for matters within federal jurisdiction. Bill C–254 would fundamentally change the precedent setting. To go along with Bill C–254 would set some important precedents.

In essence we would elevate some of Canada's obligations under the convention on the rights of the child, namely those obligations within federal jurisdictions, and make these directly enforceable before Canadian courts while other convention obligations, those within provincial jurisdictions as well as human rights obligations in other international human rights instruments, would not be so enforceable.

Not only would we be creating distinctions between different international human rights obligations but we would be fundamentally changing how international law is applied in our domestic legal system.

My difficulties with Bill C–254 do not, however, diminish the Government of Canada's support for implementing the convention in Canada. The Government of Canada in its first report to the UN on the convention on the rights of the child considers not only how Canada has implemented the convention to date but also discusses factors and difficulties we have encountered and sets out some goals for Canada in the future. The United Nations committee on the rights of the child will continue to supervise our government's performance, in particular our progress in meeting these goals.

Therefore, it is important the government respect its obligations under the convention when creating legislation or policies which may affect the rights of the child. For this reason the Department of Justice takes the convention obligations into account when providing legal advice. Parliamentarians should similarly take the convention into account when enacting legislation.

As well, Canadian courts have a role to play. Generally the courts presume legislation will be interpreted in a manner consistent with Canada's international obligations, including the convention on the rights of the child. Courts take international human rights instruments into consideration when they interpret the guarantees in the Canadian Charter of Rights and Freedoms.

Finally, courts may turn to international human rights instruments like the convention on the rights of the child when interpreting legal concepts relating to children.

The speaker who proposes this motion had very good intentions. I cannot but agree with some of his expressions. Justice L'Hureaux–Dubé in the 1993 Supreme Court case Young v. Young addressed those questions of access and custody. The need to affirm the best interests of the child is a primary consideration in all actions concerning children, including legal proceedings.

In Justice L'Hureaux–Dubé's view, this reference to international law assisted in demonstrating the best interests of the child test is of enduring value in Canada. The court plays a very important part in ensuring Canada's international human rights obligations are respected.

• (1905)

As parliamentarians we have a similar responsibility; however, Bill C–254 is not the means by which this responsibility should be undertaken. Bill C–254 seeks to directly implement some convention obligations into domestic law but not others. Bill C–254 rejects the results of extensive consultations which

have been held with provincial and territorial governments and aboriginal organizations.

In government, in Parliament and in our courts Canadians must be vigilant and ensure the values and guarantees in the convention on the rights of the child are respected. The Government of Canada takes seriously its responsibilities to better the lives of Canadian children. Toward this end we will continue our efforts to meet the goals set out for us in Canada's first report on the convention on the rights of the child. In this way I hope to make the convention on the rights of the child a living, breathing document in Canada.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, Bill C–254 deals with children's rights. I am glad to participate in this debate as the official opposition's critic for training and young people's issues to support the good intentions the hon. member for Saskatoon—Clark's Crossing expressed regarding children's rights in his private member's bill. I find it a little sad that there will only be a debate, and no vote, on his bill.

With issues such as sexual exploitation, child labour, health and education, social assistance, special care for handicapped children and especially when we consider that the bill is based on a convention signed by Canada and on a declaration of rights adopted by the General Assembly of the United Nations, it is a little surprising to see that the Liberal government, represented by its parliamentary secretary, has reservations about a bill of this kind. After all, it deals with rights which are, all told, quite basic.

The official opposition does have reservations, however, about certain rights falling under provincial jurisdiction. Take education and health, for example, over which the provinces have exclusive power, as you know. This does not stop us, of course, from agreeing in principle with the provisions of the bill, since the Bloc Quebecois is clearly very much in favour of giving children the best education and health care possible.

It is all well and good to wish to implement the principles of a bill based on a declaration of rights passed by the General Assembly of the United Nations on November 20, 1959, as I said earlier. All well and good, but how does one go about really implementing such a measure?

I will now quote what the current Minister of Human Resources Development said on November 24, 1989, when he was an opposition member, regarding a private member's bill which also dealt with children's rights.

The Minister of Human Resources Development, the hon. member for Winnipeg, said the following: "I ask members to shed the speeches prepared by their departments. Open your eyes and your hearts a little, start looking at the reality of what is going on, and begin to talk about what is the real vocabulary in this country. A day does not go by in this House of Commons that we do not hear ministers or members of the Conservative regime talk about the deficit. That has become the icon of our times: the deficit. I never hear the Minister of Finance talk about the real deficit in this country—" and at the time, he said the real deficit was "—those one million kids in poverty". He went on to say: "That is where we should invest. That is where the real tragedy lies. Ten years from now, these children should be our teachers, business people, politicians and journalists. They will never get there because they will never be able to get started. When one million children live in poverty, that is a considerable loss. That is the big deficit we have to deal with. But nothing is being done to solve this serious problem". This was in 1989.

• (1910)

But what about children today, in 1995? How are they doing? I would like to quote the figures in the latest report from the National Council of Welfare for 1993, in Canada. What does it say? It says that in Canada 1,415,000 children live in poverty, which means that 20.8 per cent of Canadian children are living below the poverty line. There were one million in 1989, and now there are 1,415,000.

In Quebec, 348,000 children live below the poverty line, which means 20.9 per cent or slightly more than the national average. So the situation is getting worse instead of better. If we take the figures for 1981, we see that, since that time, the number of poor children has doubled. In 1981, Statistics Canada set this number at 700,000. This is incredible!

So if we have poor children in this country, it is because their parents are poor. There are no poor children without poor parents. So what has the Minister of Human Resources Development done since he was appointed a year and a half ago to remedy the situation, the same man who, in a speech in November 1989, condemned the Conservative government's failure to act in this respect? He said we should drop all our prepared speeches and start speaking from the heart and do something about the problem.

We saw the minister make cuts in unemployment insurance totalling $2.5 billion, so that the Minister of Finance could balance his latest budget, meaning that the budget would come in right on target. This was done by cutting unemployment insurance. Mr. Speaker, do you really think that by cutting unemployment insurance, by hitting the families of the unemployed, we have helped to reduce child poverty in Canada? Everyone knows the answer to that.

Was that the end of it? It was not just $2.5 billion. He also announced it would be $2.5 billion annually, in other words $7.5 billion over three years. That was just the first year. So what does the Minister of Finance have in store for this year?

Additional cuts which may get worse, starting with next year's budget. So we may be talking about a cut in social programs totalling $15 billion since the Liberal government came to power, in other words, the $7.5 billion that have already been announced and another $7.5 billion in the future.

Social programs include more than just unemployment insurance. There is also, of course, the federal contribution to welfare which may be as much as 50 per cent. Will cutting and freezing transfer payments to the provinces for social welfare financing help reduce child poverty in Canada?

• (1915)

I think the answer is obviously no. There are other serious situations. In the end, however, many children are poor because of the increasing number of single parent families here. In Canada, 453,000 children live below the poverty line because their mother is the head of a single parent household. Ninety per cent of children living with single mothers are living below the poverty line.

Worse yet, increasing numbers of couples with children are finding themselves living off only one salary. For those earning only minimum wage, the breadwinner would have to work 73 hours a week just to stay above the poverty line. Does this situation indicate an improvement in the child poverty situation? No, Mr. Speaker.

Unfortunately, beyond the speeches and beyond the principles and good intentions of the hon. member presenting this motion, there is the matter of applicability and implementation and, in the end, of the government's political will to really work to reduce child poverty.

I would like to talk to you about a situation in Quebec. Particular efforts have been made in Quebec to protect young people. There are rehabilitation services. When I was a member of the committee on human resources development, I noted that, in many provinces, people asked us about services available in Quebec, which seemed to spark some jealousy in certain provinces. In a way, I say so much the better. True, Quebecers are very proud of their social programs in general.

Many people talk about the rights of children. Of course, I agree with them but I think that we should start right here in Canada and in our democratic societies to teach our children about their responsibilities with regard to the rights of others, particularly the people in their families, their communities and their schools, and their responsibilities to themselves. We should make every effort to ensure that our children can improve their knowledge while learning how to exercise their right to criticize, even at a young age, public policies in Canada and everywhere else.

[*English*]

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak in opposition to Bill C–254 as chair of the Reform Party's task force on the family. I am pleased to do so.

The purpose of the bill is to amend the Interpretation Act to provide that every act of Parliament shall be construed and applied as not to abrogate, abridge or infringe any of the rights recognized in the convention on the rights of the child.

I would like to devote the majority of my time in reviewing the significance of the convention on the rights of the child to Canada and its families.

In May 1990 the Mulroney government signed the convention that was ratified by the House of Commons in December 1991. It officially came into force in January 1992. The intent of the convention is to provide a set of standards that confirms the respect our society gives to its youngest and most vulnerable members.

The convention is nobly phrased and seems well intended in attempting to address the needs of children from all corners of the globe. But does it or is it even wise to attempt such a task? There are some very real inherent problems with the convention that I wish to address today. First, the convention creates a new international bureaucracy, the committee on the rights of the child.

• (1920)

Under the convention each signatory state is required to submit reports to this committee through the UN Secretary–General every five years and it is: "to provide that Canadians become better informed of the obligations undertaken by Canada, to apprise them of measures taken by the various levels of government and to enlist their support and co–operation in efforts being made to promote the rights of the child".

The committee is made up of 10 experts elected for a four–year term from nationals of the signatory governments. It reviews the reports, makes suggestions and recommendations to the signatory governments and the Secretary–General as to what they think should be done. These reports and suggestions are passed through our internal guardian of family affairs—it has been known as the children's bureau—that then wields its interpretation on Canadian families.

The process of representation is at best flawed. Who represents Canada at international conferences? Or for that matter, how can we know whose agenda is being put forward? How do they know whether grassroots Canadians agree to the principles that they endorse? Who are the elite that interpret the ongoing directives that come back?

The record shows that Canada automatically signs many international conventions and treaties without really allowing for input or even the time to consider the long term implications

of the agreements. Then too, I would guess that our representatives are likely the very special interest groups or experts that determine our often flawed domestic policy direction.

Children in this country face numerous problems. We have heard a few from members already; abuse, poverty and others. The solutions implemented, let us face it, have been an abysmal failure. Now this UN convention seeks to expand those very same solutions on even a grander scale.

Presently a very real conflict is forming between international obligations and domestic policy as supported by Canadians. I would like to address this for a moment.

Section 43 of the Criminal Code provides legal protection for parents and teachers who use reasonable physical discipline of children. The current justice minister has stated that the government is reviewing this section of the Criminal Code "to determine that it meets the international obligations to which we now subscribe". He refers, as have other vocal groups, to Canada's obligation under article 19.1 of the UN convention of the rights of the child.

This is the agenda being pursued by the government, even though an overwhelming majority of Canadians support the use of reasonable physical force by parents in disciplining and correcting their children's behaviour. In March 1994, as reported in the *Toronto Star*, 70 per cent of those surveyed supported this view.

Canadian parents are being threatened by a movement to repeal section 43. For example, a triple amputee Calgary mother has recently been charged with assault for spanking her 11–year old daughter. Today an American visitor to our country is in court answering charges for disciplining his five–year old.

I support section 43 of the Criminal Code along with a majority of Canadians. I believe that parents and teachers should have legal protection to physically discipline children if they deem it necessary. A distinction has to be made between reasonable physical force in disciplining children and physical violence that constitutes abuse. In no way do I condone abuse against children. But if this section were to be repealed, parents and teachers would be powerless to impose authority by way of physical discipline on children even if circumstances warranted it.

The bill being debated today advocates that every act of Parliament be interpreted within the context of the UN convention on the rights of the child. As with section 43, my main concern is the impact that these externally imposed duties and responsibilities of a foreign UN convention would have on parental responsibilities now and in the future.

Article 3 of the convention would empower: "public or private social welfare institutions, courts of law, administrative authorities or legislative bodies" the responsibility to safeguard "the best interest of the child". No mention is made of parents or families safeguarding the best interests of the child. All of these bodies will be able to interfere in family matters, driving a deepening wedge between parents and children. In this way parental authority is undermined and usurped by government and bureaucrats. Excessive and unjustified government interference already is at the source of many problems and difficulties Canadian families face.

• (1925)

Let me conclude with an anecdote. Last week I had the opportunity to meet with some of my constituents. They came from all walks of life and wanted me to hear them out and carry their concerns to Ottawa. One request relates to our discussion today.

Two parents came to meet me with four of their seven children. The oldest of the seven is nine. While they shared with me their concern about this very issue their four boys waited patiently at the next table. Those boys' politeness and good behaviour were a testimony to the millions of families that do know better than the government or any bureaucrat will ever know how best to care for the best interests of their children.

I believe the duties and responsibilities for the rearing and safeguarding of children rests within the family unit, specifically the parents, the mother and father and extended family members if that is the case. It not the responsibility of an international committee of experts to suggest or recommend what our governments, families and parents should be doing to assist or protect children. Parents can do that independently without the interference of an international organization or committee of experts.

Government authorities should only be recognized when there is absence or real abuse of that parental authority. When will the government recognize it is our families that should be at the heart of every public policy debate? The best interests of our children are met by those healthy families.

Governments must not replace families. Disaster is at the end of that path. Governments must strengthen families so that they can do what they do best: nurture future generations that will build a strong Canada.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 96(1), since there are no more speakers and since the motion was not selected as a votable item, the time provided for the consideration of Private Members' Business has now expired and this item is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

THE ENVIRONMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on April 3, I rose in the Chamber to put a question to the government relating to Canada's participation at the Berlin meeting on climate change. It was the second time in a week that I had raised the issue, hoping the federal government would announce a real action plan aimed at establishing and stabilizing our levels of greenhouse gases. I was not to be satisfied.

The Berlin talks were the result of the June 1992 meeting of 106 of the world's nations held in Rio de Janeiro. At that meeting Canada made commitments which sadly we have not kept.

At the time of my last intervention in the House of Commons I reminded members that when we look at what has happened since the Rio meeting we do not have to look too far to see that nearly nine billion more tonnes of carbon have accumulated in the atmosphere and the evidence of climate change is mounting.

In response to the crisis the Minister of the Environment even went so far as to say that if Canada and the other nations emitting greenhouse gases do not do something about this, climate change and global warming will create a situation in which floods will occur off the east coast of Canada and the tiny and beautiful province of Prince Edward Island will be all but submerged.

It is hard for me to imagine that the Minister of the Environment knows about the possibility of this catastrophic event occurring but is not prepared to take immediate and dramatic actions to combat it.

In Berlin the Minister of the Environment pushed the plan for trading technology between industrialized and developing countries, but she put forward few details on measures to reduce greenhouse gases. She was criticized and continues to be criticized because this is not an action plan at all. The minister is said to have blocked progress on an agreement that would contain specific goals and deadlines for further reductions. The minister seems to have loss sight of the fact that Canada is committed to cutting carbon dioxide emissions to 1990 levels by the year 2000.

It appears Canada will likely be up by 13 per cent above 1990 levels by the year 2000. As a result there is no question a real action plan which contains timetables and targets is an absolute necessity if this critical world problem is ever to be properly addressed.

For all intents and purposes the United Nations climate change conference wrapped up by accomplishing very little. Despite the urgent need for world action and despite the opportunity that Canada had to play a leadership role, the problem remains. More talks are needed to reach agreements for specific reductions.

The minister has put on a brave face, claiming the agreement to set new objectives by 1997 is a step forward—to quote her properly, a big win for everybody. Surely she cannot really believe this, especially if she wants to avoid moving the entire population of the province of Prince Edward Island.

When I read the news reports of the Berlin conference I cannot help but see the April 8 editorial that appeared in the Vancouver *Sun* which called the conference's conclusion a national humiliation. The Sierra Club indicated the results of the conference showed from Canada a shocking abdication of leadership.

Canada did, however, show leadership recently in the turbot war. Canada was prepared to take drastic action in the name of conservation of the fish stock off the continental shelf. Where is this same leadership in the name of conservation of the earth itself?

At the time of my question in early April there was media speculation that the federal government had lost its interest in the environment and had cut back federal spending in this regard to the point at which Environment Canada was no longer effective. This week we discovered that the much touted green plan was among those cuts and no longer exists.

In this regard, when will the Minister of the Environment and the federal government take up the political will necessary to strengthen the federal role on domestic environmental issues so that we will once again have true and meaningful credibility at the international level?

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I am pleased to respond to the member for the Battlefords—Meadow Lake and give the perspective of the Minister of the Environment. I want to assure the member the accomplishments of the Government of Canada at the recent climate change negotiations in Berlin are proof that Canada has an essential role to play in finding solid solutions to environmental challenges both at home and on the international scene.

The government and the environment have come out of that conference a clear winner in what is considered a significant step forward. Countries agreed in Berlin that current commitments contained in the framework convention on climate change are inadequate.

All developed countries that signed the convention will be required to begin negotiations on the protocol concerning future commitments. Countries will be required to report on the emission reduction policy and measures as well as set quantified limitations and reduction objectives.

Also, countries have agreed on a pilot phase for projects which can be undertaken jointly between developed and developing countries. This concept, known as joint implementation, is an important opportunity for Canadian business. We now have the green light to pursue commercial emission reduction projects in other countries. This is good for global climate change objectives and good for business here at home.

Canada's national action program on climate change tabled in Berlin sets out strategic directions which Canada will follow to meet our own commitment to stabilize greenhouse gas emissions at 1990 levels by the year 2000.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, a motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.34 p.m.)

HOUSE OF COMMONS

Wednesday, April 26, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

LEAD

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, lead is a poison that can cause animals and humans to die. It certainly makes them sick.

In Canada we are moving steadily to eliminate lead from gasoline, paints and our drinking water systems. The U.S. is proceeding in this direction even faster than us.

I urge that we now move to eliminate the use of lead shot for hunting and lead sinkers for fishing. Non-toxic steel and bismuth shot is easily available. The U.S. has already banned lead shot for wild fowling. The only lead poisoned wildfowl seen down there are ours, birds that have flown from Canada.

This is a change which will not affect hunters and anglers and one which will simply make our environment more healthy.

Mr. Speaker, let us just do it.

* * *

[*Translation*]

IMMIGRATION

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, the members of the Bloc Quebecois and Quebec's artistic community are outraged at the heartless attitude of the Minister of Immigration, who has denied an entry visa to Ms. Koudil, an Algerian filmmaker living in France.

This woman, whose courage is an example to all those who dare denounce publicly the treatment of women by Muslim fundamentalists, particularly in Algeria, has been unjustifiably denied entry into Quebec and Canada. Because of her honesty and courage, Ms. Koudil must be given this visa so that she can show her film here.

The stubbornness of Canadian authorities in this matter shows how subjective and arbitrary this kind of decision often is.

In the name of women and artists, we are calling on the minister to intervene on behalf of Ms. Koudil, whose film highlights the dangers of fundamentalist oppression.

* * *

[*English*]

VIA RAIL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the Government of Canada is deep in debt and continuing full speed ahead with government overspending toward the inevitable crash into the debt wall. The government claims to be using innovative ways to reduce its overspending but it is obvious it has no idea what it is doing.

The latest example is with the government owned VIA Rail system. This crown corporation receives over $800,000 a day in government subsidies. It was told to cut its costs but instead it cut its fares in half. It seems the only thing it can do well is lose money and now it is going to be twice as good at it. These fare reductions will continue until the end of May and they are devastating the private sector bus industry.

Using the taxpayers' money to subsidize poorly run crown corporations so they can unfairly compete with Canadian business is not only wrong, it is idiotic.

* * *

MANITOBA ELECTION

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, it gives me a great deal of pleasure today to stand and congratulate Premier Gary Filmon of the Manitoba Progressive Conservative Party on his third decisive victory last night. Premier Filmon captured 33 seats, the New Democrats 22 and the Liberals only 3.

The Manitoba provincial Liberals campaigned on a platform using a copycat provincial Liberal red book. I am proud to say that the general electorate discovered the reality of the provincial red book and sent them a strong message saying that they wanted no part of it.

We have discovered the reality of the federal Liberal red book which is amounting to broken promises. This is a message to the

Liberal Party that it should heed that what happened in Manitoba is about to happen in the next federal election.

The PC party is back, alive and well. I welcome everyone to come to Hull this weekend to see our 1,500 delegates in action.

* * *

THE ENVIRONMENT

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I am pleased to rise in the House today to draw attention to an event that will take place in the city of Hamilton this weekend.

Canada's Minister of the Environment is hosting a meeting of environmental ministers from the world's most industrialized countries, the group of seven. Also in attendance will be senior environmental officials from the European Commission and the United Nations.

The two days of discussions will focus on how G–7 countries can continue to work together to improve the world's economic and environmental health.

I would like to congratulate the minister on her fine work as Minister of the Environment both in Canada and internationally.

• (1405)

I am happy that the subjects under discussion will include, among other things, species conservation, climate change and international management of toxic substances. Discussion will also centre on how we as industrialized countries can encourage such organizations as the World Bank and the United Nations to take a more environmentally sensitive approach to development.

I urge the minister to use this conference to encourage all countries, including Canada, to live up to the commitments made at the Rio conference.

It is essential that when the leaders of the G–7 countries meet in Halifax this June, the concerns raised and discussed at the environment ministers conference this weekend are addressed.

* * *

EARTH DAY

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, Earth Day is an opportunity for all of us to celebrate the successes we have had in the environment which reminds us of the great work that remains.

This past Saturday was the 25th anniversary of Earth Day. The students, parents and teachers of Harry R. Hamilton Elementary School in upper Sackville in my riding of Halifax West marked Earth Day in a very fitting way. With federal government support, they have initiated a number of very important environmental projects.

I had the pleasure of joining them last Saturday morning for an outdoor spring cleaning. Working in rubber gloves and rubber boots, we removed garbage, tires, and even an old car from the pond behind the school. That pond will now be an excellent setting for those kids to learn about science and nature.

I want to congratulate all those involved for showing the kind of environmental responsibility we all need to exercise.

* * *

FORUM FOR YOUNG CANADIANS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, since its inception in 1975 the Forum for Young Canadians has become an institution for moulding a national identity.

For the past 20 years the forum has provided a rich and varied experience to approximately 10,000 young Canadians from across the country. Every year, 500 students from across Canada come to Ottawa to share their regional perceptions and concerns.

I believe that after living and working with their peers from all parts of the country these same students return home one week later having learned more about themselves and each other, their perceptions and concerns, as well as their common interests and bonds. They leave the program challenged, inspired and ready to play a leadership role in their communities.

I congratulate the students who have participated in this very valuable forum, the generous corporations and individuals who have made the work of the foundation possible, and the many volunteers and sponsors of the Forum for Young Canadians.

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[*Translation*]

THE ENVIRONMENT

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, when it first came out, the federal Green Plan was an unprecedented environmental initiative. After gradually cutting off funding, the Minister of the Environment recently confirmed that the Green Plan was dead.

Its replacement with a series of scattered and inconsistent guidelines shows that the Liberal government is giving up on the issue because it seems unable to set global objectives and propose a concerted approach.

Creating the position of environment commissioner, whose mandate and powers are very restricted, can never replace a concrete, global policy.

The minister is not fooling anyone by claiming that Canada is a world leader in environmental matters. She does not impress us either by proposing a so–called policy that does not even compensate for a dismal record.

The minister should consider the environment as an economic investment rather than something that can be managed haphazardly.

* * *

OFFICIAL LANGUAGES

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, yesterday, the Commissioner of Official Languages told us that official bilingualism was, to all intents and purposes, a failure.

Moreover, he noted in his report that even government departments do not meet the standards set in the Official Languages Act. It is obvious that the Liberal government's commitment is purely symbolic. The time has come to review this policy to better serve the people of Canada, perhaps on the Swedish or Belgian model.

[*English*]

We believe that a language policy which leaves language and culture in the hands of the provinces will better serve the linguistic needs of each province.

The BNA Act of 1867 ensures minority language and education rights are respected. I will be tabling a private member's motion later in this session. I hope that members in this House will support me in bringing a practical alternative—

• (1410)

The Speaker: The hon. member for Bruce—Grey.

* * *

TOBACCO USE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, tobacco use is one of Canada's greatest public health concerns.

Each year tobacco causes over 40,000 preventable deaths. While the number of Canadian smokers has declined over the last 20 years, there are still 6.5 million smokers. Even more distressing, thousands of young people begin to smoke every month.

Tobacco use is a major risk factor for stroke, heart disease, circulatory disease, cancer of the lungs, larynx, pancreas, mouth, esophagus, bladder, kidney and cervix.

Pregnant women who smoke increase their baby's risk of premature birth, low birth rate, inhibited child development and sudden infant death syndrome.

In Grey and Bruce counties 26 per cent of the population continue to smoke. As a result, the Hamilton Regional Cancer Centre predicts that 287 residents in my riding will die this year from tobacco related illnesses.

S. O. 31

NORTHERN TELECOM

Mr. Lyle Vanclief (Prince Edward—Hastings (Lib.): Mr. Speaker, tomorrow at its annual meeting in Montreal, Northern Telecom will be marking a century of progress. Founded in 1895 as a small manufacturer of telephones, it has since become a world leader with revenues of over $12 billion.

Today NorTel employs 21,000 Canadians. Four out of ten of those jobs are linked to export success. In the city of Belleville in my riding, close to 1,000 constituents are employed in NorTel's production of telecommunications equipment for use in over 90 countries.

I think it is particularly important to note NorTel's continuing investment in Canada. Not only does it invest in R and D to develop networks of tomorrow, it also commits itself to Canada's students. Last year NorTel hired over 600 new graduates from Canadian universities.

NorTel is an excellent example of the benefits that research and development and export success bring to Canada. I congratulate NorTel on its first 100 years and wish it all the best for the next century.

* * *

HMCS FREDERICTON

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, on April 6 the crew of the British sailboat *Longo–Barda*, en route to England after competing in a race off the coast of Australia, was attacked by pirates near Somalia. They fired mortar at the ship and were prepared to hijack it when one of Canada's new warships, the HMCS *Fredericton* speeded to the rescue, responding to the crew's distress call. The would be thieves fled the scene at once.

The navy officers aboard the helicopter frigate had heard the sailboat's mayday call en route to Jeddah, Saudi Arabia where the ship is used to promote Canadian technology.

On behalf of all Canadians and particularly those in Fredericton, I congratulate and thank the captain and crew of the HMCS *Fredericton* for their act of heroism.

* * *

[*Translation*]

QUEBEC LIBERAL PARTY

Mrs. Francine Lalonde (Mercier, BQ): Apparently, Mr. Speaker, the latest constitutional position of the Liberal Party in Quebec was another flash in the pan. Ridiculed in Quebec and without governmental support in Ottawa, it fizzled out in a matter of hours.

With the Martin budget and Bill C–76, the federal government has started to make changes in Canada that run counter to Quebec's traditional demands, which the Quebec Liberal Party has not even restated.

This morning, Lise Bissonnette indicated that the wishes of the committee, which is to some extent the last stronghold of the

Liberal Party in Quebec, are being trampled and even ridiculed by Bill C–76 and the recent budget measures behind it. Basically, she is reminding us that, with Bill C–76 and the Martin budget, Quebec Liberals are no longer able to defend Quebec's traditional interests.

* * *

[*English*]

YOM HASHOAH

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, tomorrow will mark Yom Hashoah, Holocaust Memorial Day and the 50th anniversary of the allied liberation of the concentration camps in Europe.

Yom Hashoah is a day to reflect on the horrors of the Holocaust. It is a day to make a pledge for the future: never again. It is a day to rededicate ourselves to the sacred principle that all people are born equal regardless of race or creed.

When racist extremism flourished in Nazi Germany, the Jewish people were targeted for death and six million were murdered. Millions of others were also killed. When the rights of some are attacked on the grounds of race or religion, ultimately the rights and freedoms of all are undermined.

On behalf of the Reform Party, I solemnly vow that we shall honour the memory of those who perished in the Holocaust by remaining vigilant against those who would divide us by promoting hatred and discrimination.

* * *

• (1415)

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, in a document entitled *La souveraineté, des réponses à vos questions*, the Parti Quebecois says: "No new structure, nor a superstructure. There will be no need for a new political organization governed by another elected parliament. This is demonstrated by the increasing number of customs unions and free trade agreements throughout the world".

After listening to the comments made on Monday by the Parti Quebecois leader, Quebecers find it difficult to understand this about–face by sovereignists. Indeed, this is not just a change of direction, it is a complete about–face which can only lead to a massive pile–up on the road to separation.

Let us not forget that we live in an extraordinary democracy and that changes are possible because of the flexibility of our Canadian political structure. That structure is based on dialogue and harmony. Let us work safely together to reach many new agreements.

ORAL QUESTION PERIOD

[*Translation*]

TELECOMMUNICATIONS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, for the first time since the CRTC was established, the cabinet is about to force this independent body to change one of its decisions. Furthermore, this interference by the government will benefit a group whose main shareholders are friends of the government and even close relatives. In a new development which may have far reaching consequences, we heard today that, in a communication sent to the Minister of Canadian Heritage, the CRTC formally expressed its concern about this interference.

I therefore want to ask the Prime Minister to tell us from his seat whether he refrained from taking part in any discussions in cabinet on this matter, since his son–in–law is one of the directors of Power DirecTv, a subsidiary of Power Corporation?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, later this afternoon, the government intends to table in the House a document that will clearly set forth the position of the Canadian government on direct to home satellite services.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, first of all, this does not answer my question, and second, from what the minister just said, I must assume that the government ignored its fundamental responsibilities and decided to intervene directly and interfere with a CRTC decision on a matter that was crucial to the public interest.

I want to ask the Prime Minister, who has remained strangely silent on the matter and who is the leader of the government who is directly concerned by the ethical aspects of the case, to tell us whether he would confirm that his principal adviser, Eddie Goldenberg, intervened directly in the matter of Power DirecTv, this according to the Minister of Industry?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think the opposition leader's strategy is highly improper because—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): If they have any accusations to make, let them make them. However, I can inform the House that, in this particular case, although I have no personal interest in the matter, in order to avoid laying myself open to criticism, I did not take part in any discussions and, when the time came to discuss this matter in cabinet, I abstained, and the acting Prime Minister presided over the rest of the meeting.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I must say I appreciate the fact that the Prime Minister rose in his seat to answer the question, so I will ask him another one.

We are talking about a very important matter which requires clarification as a matter of course, since according to the government's conflict of interest guidelines, subsection 23(3): "A public office holder shall not accord preferential treatment in relation to any official matter to family members or friends or to organizations in which they, family members or friends, have an interest".

• (1420)

I want to ask the Prime Minister whether he consulted his ethics counsellor on this matter.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I must say I have no interest in the matter and did not participate in any discussions on the subject. I did not discuss it with anyone, including the ministers. That is my answer. I have nothing further to add.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, in a notice sent to the Minister of Canadian Heritage, the secretary general of the CRTC said that the federal cabinet would be overstepping its bounds if it went ahead with its proposal to use orders in council, which are too specific, too narrow and go much further than the general policy set out in the Broadcasting Act. The CRTC even believes that such orders in council could lead to legal action.

Will the Prime Minister acknowledge that, for the first time in history, cabinet orders in council would force the CRTC to reconsider its decision and that this action would constitute preferential treatment for Power DirecTv?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Industry answered this question yesterday.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, how can the Prime Minister deny that this is a clear case of favouritism, given that, in the CRTC's opinion, cabinet orders in council compromise the independence and integrity of its licensing process to such an extent that the government exposes itself to the risk of being taken to court over these retroactive orders?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the legislation allows cabinet some say concerning the CRTC's decisions. In the circumstances, cabinet has reviewed the situation and made a decision which will be made public later this afternoon.

[*English*]

ATLANTIC GROUNDFISH STRATEGY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, this week the federal debt passed the $550 billion mark. Yet the government's mismanagement of taxpayers' money continues. The latest example, TAGS, the Atlantic groundfish strategy with $1.9 billion committed over five years, is a program already headed for a $385 million shortfall. Worst of all, it provides little in the way of concrete results.

My question is for the Minister of Human Resources Development. How much more federal money is the government planning to commit to this ill designed and unsuccessful program?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we are facing the largest layoff in the history of Canada as a result of the collapse of the Atlantic fishery. It is the responsibility of any federal government that cares about the real needs of people in that region to respond in the most effective way possible.

The government established a budget last year of $1.9 billion that would help us to reduce the core fishery down to a point where it is a manageable size, which the minister of fisheries is responsible for. We also undertook to provide a variety of means by which people in that fishery could secure other alternative means of livelihood.

In that period of time we have provided counselling for upward of 25,000 people. We have over 15,000 people enrolled in training programs. We have a number—

Some hon. members: Oh, oh.

Mr. Silye: The question is: How much more money? How much more money? Answer the question.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, apparently the Reform Party does not want an answer to a very serious question. Perhaps most important is that the hon. member was probably not listening in the House as I replied yesterday. For thousands of individuals we restored a sense of hope at a time when they are facing a real calamity in their lives and the lives of their families.

That is what the federal government is doing, not the meanspirited nit–picking of the hon. leader of the third party.

• (1425)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we all know that TAGS is a fiscal disaster, but the most tragic aspect of the program is the fact that it fails the very people it was designed to help.

When TAGS was announced it was supposed to break the cycle of dependency. The government predicted not that 25,000 fishery workers would be counselled but that they would be retrained for new jobs in new industries. Yet $40 million later HRD officials admit that less than 12,000 people have even participated in the program, that precious few have found any work, and that now money is being diverted from the training aspects of the program back into dependency support.

How does the minister plan to change TAGS so as to produce the results and the hope for affected Canadians in Atlantic Canada about whom he professes to be so passionately concerned?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as I said in my first response, we are dealing with probably the most massive, large scale adjustment program ever faced by the country.

Mr. Manning: It is not working.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, the hon. member says: "It is not working". He does not know. Like most things, he simply does not know. He is simply making it up and engaging in fiction, not fact.

We have example after example of people who have started their own businesses, been retrained for new occupations, have started projects to develop new resource conservation and have received mobility grants.

I challenge the hon. member to come with me to Atlantic Canada to talk to the people down there to find out just how well we are beginning to provide an alternative option for the people of Atlantic Canada.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if the minister could tell me when we are going to go, I am perfectly willing to go.

TAGS is part of a bigger project. It was originally billed as a test run for the whole human resources approach to social security reform. The test has been a failure. TAGS was meant to tie income support to training, education and retraining, and it has not done that. Instead it is another example of a Liberal social megaproject that simply does not work. It is based on principles that do not work.

Has the minister learned anything—and I know this is a challenging question—from his disastrous social experiment? How will the failure of TAGS affect his overall program of social policy reform?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one thing I have learned is that the last person in Canada to listen to about what works in social reform is the hon. leader of the third party.

In response to the kind of major challenges we faced in developing those adjustment programs, we commissioned a major study by Price Waterhouse that gave us a report on examining where the program was working and where it was not. I can report to hon. members of the House that my department has acted on every one of the recommendations made in the Price Waterhouse study.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

On Monday, the Minister received an opinion from the CRTC concerning the cabinet's draft directives on satellite broadcasting. According to the CRTC, the federal government would be open to legal proceedings, because the cabinet's directives are too specific and would call into question the integrity of the CRTC, a quasi legal, autonomous license–granting body.

My question is for the Minister of Canadian Heritage, who is responsible for the CRTC. Would he tell us whether he informed the Prime Minister of the content of the CRTC's opinion on the proposed directive at yesterday's cabinet meeting?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I believe the Prime Minister's answer to opposition questions indicates clearly that the matter was out of the question.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my supplementary question is for the Prime Minister.

Does the Prime Minister not consider it at least inappropriate that, for the first time in its history, cabinet is changing a CRTC decision and that this historical first just happens to benefit his son–in–law?

• (1430)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, as I said earlier, we will be tabling a document setting out the government's position this afternoon in the House.

I understand the opposition's impatience, but it will just be a few hours more. Then there will be days and weeks for questions.

* * *

[*English*]

ATLANTIC GROUNDFISH STRATEGY

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, last year in debate Reformers called the Atlantic

groundfish strategy, or TAGS, a job security program for tinkering, meddling bureaucrats and further that handouts do nothing for people. They destroy people and they destroy their spirit and will.

The Minister of Human Resources Development said words to this effect: "Trust us. We know what we are doing". Now Atlantic Canadians have learned that this big government has failed them once again.

Can the minister explain why he chose to ignore our advice last June and proceed with such a flawed program? If you had listened to us you would not be in this big mess right now.

The Speaker: Colleagues, I would ask you always to make your remarks to the Chair.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I will tell you why we proceeded with the Atlantic groundfish strategy. Over 40,000 men and women in the Atlantic region had just lost their livelihood. They needed help in securing enough income to keep their families and themselves in the basic necessities. They also needed to be given certain tools for retraining, for counselling, for new employment and for alternatives that would provide them over time the opportunity to find an alternative way of making a living.

That is why we proceeded with the Atlantic groundfish strategy. That is what the groundfish strategy is doing today.

Rather than having the Reform Party try to make a blanket condemnation of the noble efforts being made by all kinds of people in the Atlantic fishery to find a new life for themselves, they should join in to help, rather than trying to hinder the program.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the minister claims that his program is working.

If the minister will not listen to us, here is what some other people are saying. The senior director for TAGS says this about the training component of the program: "Much of it has led to nothing and it is training for what?". The chair of the committee calls it lunacy and crazy.

Why does the minister not acknowledge that on the job training is many times more effective than institutional training and build his job creation strategies on the strengths of small businesses in Atlantic Canada?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member had any understanding at all, he would realize that you have to have small businesses first for people to start.

We are dealing with between 40,000 and 50,000 people whose families for 400 years have earned their living in the fishery. All of a sudden for a variety of reasons, many of which we have seen such as overfishing by foreign nations, it has finally come to an end. It is a calamity beyond the scope of anything we have faced before. It requires major adjustment and changes. We are doing our best to meet that.

I used examples and I will repeat them for the hon. member. Rather than listening to press commentary about what was said, talk to the woman who has just received a series of new training programs and has started her own business as a result. Listen to the family in Newfoundland that has now got new people started in their own businesses. Talk to people who are now doing college education courses to find new alternatives. Listen to the people who are being affected by the programs, not to some half–baked commentary in the *Globe and Mail*.

The Speaker: Colleagues, I appeal to you to make both the questions and the answers a little more precise.

* * *

• (1435)

[*Translation*]

NATIONAL DEFENCE

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, yesterday, the Minister of National Defence confirmed that his government is about to acquire four British conventional submarines. He even stated that the negotiations with British authorities were practically wrapped up.

How can the Minister of National Defence justify spending $1.6 billion on four secondhand submarines, given the government's current financial situation?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it amazes me how people can go to committee, hear an answer, then come to the House of Commons and completely give a distortion like the hon. member has.

I said that the government has given authority to me as minister and my officials to explore the possibility of purchasing secondhand submarines from the British navy.

Discussions have been ongoing. At a certain point in time, my colleagues in the cabinet will have to decide whether or not they wish the Government of Canada to purchase those submarines.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I think that even then the minister said that it was up to the government to decide and that some members of cabinet supported this move.

At a time when the auditor general is denouncing mismanagement at the Department of National Defence and the waste of hundreds of millions of dollars every year, how can the Minister

of National Defence justify wasting another $2 billion or so on secondhand submarines we do not need?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I might remind the hon. member he was a member of the special joint committee on defence which recommended to the government that we explore the possibility of replacing the Oberon submarines. That is what we have done.

I know members of his party had some disagreement with the basic elements of the report but I do not remember his actually dissociating himself from the part of the report that dealt with submarines.

* * *

SOCIAL TRANSFER

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Yesterday in response to a question from the leader of the NDP he said that the new Canada social transfer strengthens the federal ability to ensure the responsibility of the provinces to live up to national principles. He went on to say it gives the continuing ability to ensure that leverage is exercised; in other words, blackmailing provincial governments.

On March 31 the Minister of Intergovernmental Affairs said that the budget makes it clear that fewer strings will be attached to the Canada social transfer and went on to say that social transfer strings will be reduced and these requirements will be set by mutual consent.

In the eyes of the government, does the Canada social transfer strengthen or weaken the ability of the federal government to apply federal standards in areas of provincial jurisdiction?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the new Canadian health and social transfer is the best of all possible worlds.

It provides more flexibility for the provinces in programming. At the same time it ensures fundamental principles and standards under the act. That is a sign of very creative policy making, which only this government is capable of doing and which the Reform Party is totally incapable of understanding.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the best of all possible worlds is apparently the ability of the government to talk out of both sides of its mouth.

[*Translation*]

My supplementary question is for the same minister. Is the new Canada social transfer designed to strengthen the government's ability to impose federal standards, as the Liberals say in English, or to reinforce areas of exclusive provincial jurisdiction, as the Liberals say in French?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member knows, we established five very important health care principles in order to protect the health care network throughout Canada.

Of course, these principles will still be protected under the new transfer program. At the same time, we will hold negotiations with all the provinces to discuss the new principles based on a consensus among all partners. The new federalism is based on consensus, partnership and co–operation for the future.

* * *

• (1440)

NATIONAL DEFENCE

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is for the Minister of National Defence.

In his 1994 report, the auditor general gives numerous examples of mismanagement resulting, among other things, from DND's inability to assess the cost of its operations. More recently, we learned that the cost of the frigates was underestimated by nearly $2 billion, with two of the twelve frigates yet to be delivered.

How can the minister maintain that the projected savings announced in the 1995 budget will be achieved, when the Auditor General's figures show that the department keeps miscalculating its expenditures?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): First, Mr. Speaker, the department must realize all the savings as announced in the 1995 budget as with 1994, simply because we have only so much money that floated by Parliament to the department. Therefore, rest assured the budget cuts that were announced will be put in place as they were in 1994.

I would like to dispute what my friend opposite said when he talks about the problems with the Canadian frigate program. As with all new technological developments, and the fact that a lot of new integrated systems require pioneering developmental work with the frigate, there are teething problems. There are problems with getting accustomed to the new technologies.

However, what the hon. member has conveniently forgotten to mention is that this project has come in about a billion dollars under budget.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, what we do know about the frigate program is that it will come in at $2 billion over budget, not $1 billion under, like the minister said.

Since senior officials of the Department of National Defence recognize that the Canadian Forces can still buy all the equipment they need in spite of budget cuts, will the minister admit that his department's capital budget has been overestimated, that more drastic cuts should have been made and that no submarines should be purchased, as specified in the Bloc Quebecois's dissenting report?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member seems to be advocating even greater cuts in the budget of the Department of National Defence.

I would like to point out that while the members for the official opposition advocated in the last election a 25 per cent cut in federal expenditures in defence, when we have cut not nearly by that amount but by a significant amount over the last couple of years, the first to object to the application of those cuts are the hon. members for the Bloc Quebecois.

* * *

LAND MINES

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, millions of land mines are buried in countries around the world, inhibiting post–war reconstruction and killing hundreds of men and women every month.

The UN will be convening in September to discuss strengthening its conventions regulating the trade and the use of land mines.

I ask the Minister of Foreign Affairs whether Canada, a world leader in de–mining activities, will support a ban and a moratorium on the use and international trade of land mines?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the answer is yes. The hon. member should know that a number of countries are presently respecting a moratorium in this regard. Canada, I am told, has not exported land mines since 1987.

We would like to work diligently with others in Vienna to extend the convention on certain conventional weapons and to ensure that land mines are covered and properly taken care of.

COMMUNICATIONS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

In the CRTC response to a draft the cabinet directly prepared for direct to home broadcasting, it states that the proposed government directive may be in violation of the Broadcasting Act. The proposed DTH carriage rules and the revocation of the exemption order may both be illegal according to the CRTC.

• (1445)

Instead of attempting to benefit Power Corp. with cabinet directives of questionable legal standing, why will the government not refer the mess it has created to a House standing committee where decisions will be made out in the open and without the perception of family influence tainting the process?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, much of the content of the question has already been answered this afternoon.

The government will table a document later on which contains the thrust of government policy. I understand that our colleague would like to explore many issues before the document is tabled. She will have time tomorrow and in the ensuing days and weeks to raise all the questions she would like once the policy has been laid down.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, pursuant to these questions, it has always been looking at the issue of openness, accountability and transparency.

The government has been fast tracking the cabinet directive to try to cover up the huge regulatory mess it has created. It is a mess because it does not know if it wants open competition or not. It is a mess because industry is opening our borders while heritage is closing them. The DTH fiasco demonstrates that the CRTC as well has outlived its purpose.

Rather than helping a favoured few, why not implement the recommendations of the competition bureau to allow telecommunications and broadcasting free market driven competition?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague is addressing openness and transparency. She has probably read the report of the panel on DTH. That panel suggests the matter be put before the House under section 7 of the Broadcasting Act. This is a very open process, a very transparent process.

Furthermore, the panel recommends the authority for DTH be granted through a licensing process administered by the CRTC. Here again, this is a very open and transparent process.

The member will see in a few minutes what the government intends to do.

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[*Translation*]

IMMIGRATION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Immigration officials' decision not to deliver a visitor's visa to Algerian filmmaker Hafsa Zinaï Koudil continues to shock people. Indeed, it is most surprising that Canada would refuse to welcome a filmmaker who received a death sentence from Algerian fundamentalists for having denounced, in her film, the oppression to which Algerian women are subjected.

Did the Minister of Immigration reconsider the issue and will he take action to allow Ms. Koudil to present her film at the Festival Vues d'Afrique?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, yesterday I told the hon. member in this House that our officials rejected the application after interviewing the applicant.

I also told the hon. member that if he had new information or details, he or the applicant should contact departmental officials.

There is a problem with visitors' visas. A person wishing to come to Canada can apply for a visitor's visa. However, if there are real problems relating to refugee status, then that person must make an application after claiming refugee status and not when applying for a visitor's visa. This is the kind of clarification we seek from applicants.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, if the minister wants all the necessary information, he should watch the evening news report. Last night, every television network provided all that information. Everyone in Canada probably knows about the issue, except the minister.

• (1450)

How can the minister keep refusing to grant a visitor's visa to this Algerian woman, while at the same time refusing to immediately expel Mr. Rahmani, who is accused of being a religious extremist as well as an active member of the Islamic Salvation Front, the group behind the death threat to this filmmaker?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, perhaps the member ought to consult the immigration critic in terms of how visitor visa applications are assessed. They are assessed on a case by case basis. Of the nearly one million applications made worldwide, 86 per cent are approved.

What I said is there was something said during the interview that caused concern. The person making the application has every opportunity to provide clarification, to provide new information. The member says just because it was in the news it is what, a guarantee to do what?

I am open to looking into this case but there has to be the new information, the special circumstances or the clarification furnished by this applicant. Otherwise people in Quebec will also see that somehow we treat visitor visa applications on whether they are artists or not. That situation cannot be allowed.

* * *

DEPARTMENT OF NATIONAL REVENUE

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, my question is for the minister of revenue. Access to information documents revealed the Department of National Revenue spent $250,000 in order to fly bureaucrats to Victoria during the Commonwealth Games last August. In a written response to me on September 28 the minister advised me that a total of only $76,000 had been spent, a far cry from $250,000.

Could the minister explain the discrepancy?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I do not have the letter the hon. member refers to but if I may speculate the figure given in the newspaper apparently refers to all the customs officers reassigned to Victoria and Vancouver to take care of the number of people who came specifically for the games, be they athletes, officials or tourists who were there in the regular course of events.

There were a total of 60 people reassigned and of these there were some who were from my staff and from the public affairs office in Ottawa. If I may again toss my mind back to September when I wrote him that letter, the paper is not talking about the same group of people the letter referred to.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I have in my hand the letter from the minister. It states very specifically $76,000. I suggest the discrepancy between $250,000 and $76,000 is an awfully wide gulf for anyone to accept.

Can the minister explain more clearly to the House and to the long suffering Canadian taxpayer why even $250,000 would have been spent on this flying back and forth?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it is very simple to explain why we spent the money, to take the extra customs officers from British Colum-

bia, one from Yukon, three from Alberta, to put them where we had this sudden rush of people crossing the border.

It must be recognized by the hon. member that Canada Customs is the country's first line of defence against the importation of drugs, weapons or terrorism from other countries.

Therefore it is important for us when we are faced with a situation such as we had to make sure we have the people in place who are able to handle it. This type of flexibility is perfectly normal. It took place for the Calgary 1988 winter Olympics. It took place in the Nordic Games in northern Ontario a few months ago and it will take place again if we are successful with other bids for other games in the future.

* * *

● (1455)

[*Translation*]

EMPLOYMENT

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Last week, I had the opportunity to visit employment centres in my riding, and I noted a marked improvement in the services provided. At the same time, however, we know that the programs falling under the Department of Human Resources Development will inevitably be hit by the budget cuts.

[*English*]

Can the minister please tell the House how his department is improving services to assist the unemployed in finding jobs?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I was very pleased to read the article in *Le Soleil* which described the new system of delivery that we are now introducing which will allow us to substantially decentralize these services to the local level. Our employment centres are able to work now in very close partnership with provincial and municipal organizations, with business and labour, and they will be able to share the responsibility of getting people back to work.

The 11 projects in Quebec are part of a much larger nationwide program which involves 70 Canada employment centres. They are really the forerunner of a brand new design by which the federal government is able to deliver these programs much more efficiently and effectively, and in the meantime ensure that far more Canadians get the chance to return to a job.

[*Translation*]

OFFICIAL LANGUAGES

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is for the President of the Treasury Board.

Twenty–six years after its passage, the Official Languages Act is still not being evenly applied, in particular in the Ottawa region. According to the Official Languages Commissioner, French does not have equal status as a working language in the National Capital Region's federal government offices.

How can the President of the Treasury Board not qualify the fact that 62 per cent of all francophone federal employees in Ottawa are hired to work exclusively in English as a complete and total failure of institutionalized bilingualism?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, there have been a number of improvements made over the years. The government is dedicated to accelerating the rate of improvement in terms of Canadians being able to get service from federal institutions in the official language of their choice, quality services.

We are asking all of our departments to submit action plans by September which will outline what programs they will undertake to improve levels of service. We will monitor them further. In March of next year we will expect a progress report. We will expect progress reports every six months thereafter. In short, we are determined to live up to our obligations under the Official Languages Act and its regulations.

* * *

GOVERNMENT SPENDING

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, my question is for the Minister of Veterans Affairs.

It has come to my attention the mileage allowance veterans receive for going to doctor appointments is being decreased significantly from 23 cents to 10 cents per kilometre. Could it be these reductions were imposed on our sick and frail veterans to pay for the luxurious 11.5 per cent increase the government has made to the mileage allowance MPs and government employees enjoy?

Would the Minister of Veterans Affairs assure the House he will urge the government to rescind this decision?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, a number of adjustments have been made with respect to the

veterans affairs budget which reflect the cost of living. A number of adjustments have been made for economic reasons.

I will take the hon. member's question and discuss it with officials, who are busy with the Canada remembers ceremonies, and I will get back to him with an answer.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the Prime Minister.

With the budget announcing the elimination of the Crow benefit under the WGTA effective August 1, abandonment of branchline protection effective January 1 and full grain rate deregulation by the year 2000, the government has inflicted great damage on the global competitive position of our prairie farmers.

Assuming the government would like to see agricultural activity continue on the prairies and given this land locked, underpopulated but highly productive region will likely continue to export the vast surpluses from production for years to come, why has the government not considered turning control of CNR, which it wants to privatize anyway, over to farmers so they can control at least part of the system from farm to port?

• (1500)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is obvious that the changes the hon. member has referred to are very important ones. One that we think has to be taken into account is the future ownership of the CNR.

A project to commercialize CN will be made public by legislation presented to the House of Commons we hope relatively soon. Certainly there will be nothing in that legislation that would preclude the result the hon. member seeks. That is, western farmers will be invited and encouraged to participate in the largest single share issue in the history of this country.

* * *

EH–101 HELICOPTER

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, my question is for the Minister of Public Works and government services.

Since the cancellation of the EH–101 helicopter program, the minister has made a financial agreement and settlement with the main contractor, called Unisys. Many of the suppliers and subcontractors are small Canadian companies that require their share of the settlement if they are to survive. What assurances can the minister give these suppliers that they will indeed be able to secure a fair portion of the $166 million settlement?

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, I would like to thank the hon. member for Oakville—Milton for her question and commend her for the concerns she has for those small subcontractors in the EH–101 helicopter deal.

As members know, we kept our promise in the red book and cancelled this deal in 1993. In March 1995 a final settlement was reached with Unisys Canada for a total of $166 million, $98 million of which was for work that had been completed upon the cancellation and $68 million for work that was in progress upon termination.

The settlement agreement between Unisys and the crown includes a provision that a portion of the settlement will not be paid to Unisys until this company reaches its agreements with the primary subcontractors of the deal.

* * *

PRESENCE IN THE GALLERY

The Speaker: Colleagues, I would like to draw to your attention the presence in the gallery of Her Excellency Mrs. Pimpa Chanprasong, Minister in the Office of the Prime Minister of Thailand.

[*Translation*]

I would also like to draw the attention of members to the presence in our gallery of Mr. Valdis Birkava, Minister of Foreign Affairs of the Republic of Latvia.

Some hon. members: Hear, hear.

* * *

[*English*]

POINT OF ORDER

ERRATUM

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I very briefly want to mention that I made an error on page 11771 in *Hansard* in debate when the member for Broadview—Greenwood was up speaking and the member for Saint–Léonard came in. I did not hear that he was calling time allocation on Bill

C–76. I said "on this piece of legislation", and we were actually debating Bill C–70. I just wanted to straighten out the difference between Bill C–70 and Bill C–76, although it is just as disgusting to bring in time allocation on anything.

ROUTINE PROCEEDINGS

• (1505)

[*English*]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, pursuant to Standing Order 109, I am pleased to respond on behalf of the government, in both official languages, to the recommendation in the sixth report of the Standing Committee on Public Accounts, tabled on November 30, 1994.

* * *

CRTC

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Madam Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, two proposed orders issuing directions to the CRTC respecting the government's proposed policy on direct to home satellite distribution.

The government is confident this process will provide the CRTC with a DTH policy that reflects the interests of Canadians and the integrity of the Canadian broadcasting system.

* * *

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 17 petitions.

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. George Proud (Hillsborough, Lib.): Madam Speaker, pursuant to Standing Order 34, I have the honour to present to the house, in both official languages, the fifth report of the Canadian NATO Parliamentary Association concerning the North Atlantic Assembly Subcommittee on Defence and Security Cooperation between Europe and North America held in New York and Washington, D.C., from January 29 to February 3, 1995.

* * *

[*Translation*]

REGULATIONS ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.) moved for leave to introduce Bill C–84, an act to provide for the review, registration, publication and parliamentary scrutiny of regulations and other documents and to make consequential and related amendments to other acts.

He said: Madam Speaker, I wish to inform the House of my intention to propose that this bill be referred to committee before second reading, pursuant to Standing Order 73(1).

(Motions deemed adopted, bill read the first time and printed.)

* * *

[*English*]

AUDITOR GENERAL FOR THE FAMILY ACT

Mr. Chuck Strahl (Fraser Valley East, Ref.) moved for leave to introduce Bill C–322, an act respecting the Office of the Auditor General for the family.

He said: Madam Speaker, it is a pleasure to rise today to present a bill entitled "An act respecting the Office of the Auditor General for the family".

This act would establish an office similar to but much smaller than that of our respected financial auditor general, charged with finding ways to encourage, support, and protect the nuclear family.

No one can doubt that the family is one of the foundations of our society, and Canada would do well to support that foundation. This bill would provide some of that support in a small but very tangible way.

(Motions deemed adopted, bill read the first time and printed.)

• (1510)

ALTERNATIVE FUELS ACT

Mrs. Jane Stewart (Brant, Lib.) moved that Bill S–7, an act to accelerate the use of alternative fuels for motor vehicles, be read the first time.

(Motion agreed to and bill read the first time.)

* * *

COMMITTEES OF THE HOUSE

FISHERIES AND OCEANS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I think you will find consent for the following motion. I should say that on April 6 this House granted the Standing Committee on Fisheries and Oceans authority to travel and the dates have been changed and that is the reason for this motion. It is not an additional trip.

I move:

That a subcommittee of the Standing Committee on Fisheries and Oceans be authorized to travel to Vancouver, Prince Rupert, Nanaimo and Campbell River, British Columbia, from May 7 to 12, 1995, to discuss Pacific salmon issues.

(Motion agreed to.)

* * *

[*Translation*]

ADM AGRI–INDUSTRIES LTD. OPERATIONS ACT

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I ask for unanimous consent to withdraw Bill C–312, a private member's bill, because my colleague for Verdun—Saint–Paul will shortly be presenting Bill C–313, which is essentially the same as mine.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

(Bill withdrawn).

* * *

[*English*]

PETITIONS

SEXUAL ORIENTATION

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Madam Speaker, pursuant to Standing Order 36, I present to the House here assembled a petition from many citizens who request that this Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase "sexual orientation".

TAXATION

Miss Deborah Grey (Beaver River, Ref.): Madam Speaker, I have several petitions, pursuant to Standing Order 36, from many people from the lower mainland of British Columbia and some from Alberta saying that they are concerned about the fact that Canadians are overburdened with taxation. The petitioners are asking the federal Parliament to not consider tax increases and in fact implement a taxpayer protection act to limit federal spending.

SEXUAL ORIENTATION

Miss Deborah Grey (Beaver River, Ref.): Second, Madam Speaker, there are many constituents from Beaver River, from Radway and Smoky Lake who are asking, pursuant to Standing Order 36, that the government not implement Bill C–41 and specifically section 718(2), which would give special provision based on sexual orientation. The petitioners say that the behaviour people engage in does not warrant special consideration in Canadian law.

EUTHANASIA

Miss Deborah Grey (Beaver River, Ref.): Finally, Madam Speaker, also pursuant to Standing Order 36, I have another petition signed by many people in the constituency of Beaver River, Bonnyville, Plamondon, Mallaig, and various towns, who are asking also that physician assisted suicide or legalizing euthanasia not be considered in the Canadian Parliament.

The petitioners are also praying that Parliament continue to reject euthanasia and physician assisted suicide and that the present provisions of section 241 of the Criminal Code of Canada, which forbid counselling, procuring, aiding or abetting that person to commit suicide, be enforced vigorously, and finally that Parliament consider expanding palliative care that would be accessible to all dying persons in Canada.

[*Translation*]

HUMAN RIGHTS

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Madam Speaker, pursuant to Standing Order 36, I would like to submit a petition signed by people on the west island of Montreal, including people from my riding of Pierrefonds—Dollard, with respect to their approval of the proposed amendments to the Canadian Charter of Rights and Freedoms.

• (1515)

They ask that Parliament amend the Canadian Human Rights Act to include the undefined term "sexual orientation" in the list of prohibited grounds of discrimination.

[*English*]

Mr. John Finlay (Oxford, Lib.): Madam Speaker, pursuant to Standing Order 36, I present a petition signed by 514 constituents. The petitioners call upon Parliament to oppose any amendments to the Canadian Human Rights Act or any other federal legislation which provides for the inclusion of the phrase "sexual orientation" or any other approval of homosexuality.

ASSISTED SUICIDE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, it is my pleasure to present three petitions pursuant to Standing Order 36.

The first petition is signed by people from the lower mainland. The petitioners humbly pray that Parliament will not repeal or amend section 241 of the Criminal Code in any way and will uphold the Supreme Court of Canada decision of September 30, 1993 to disallow assisted suicide or euthanasia.

HUMAN RIGHTS

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, in the second petition the petitioners are calling upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase "sexual orientation".

ASSISTED SUICIDE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, in the third petition the petitioners call upon Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough West, Lib.): Madam Speaker, I have three petitions to present.

The first petition is signed by 485 Canadians primarily from the Trenton, Ontario area but also from various other locations. It calls upon Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

HUMAN RIGHTS

Mr. Tom Wappel (Scarborough West, Lib.): Madam Speaker, I have another petition bearing the signatures of almost 800 Canadians primarily from my riding and surrounding ridings in the Scarborough area. They are asking Parliament not to amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase "sexual orientation".

ASSISTED SUICIDE

Mr. Tom Wappel (Scarborough West, Lib.): Madam Speaker, finally I have a petition signed by approximately 900 Canadians on the issue of euthanasia.

They pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

BILL C–41

Mr. Janko Peric (Cambridge, Lib.): Madam Speaker, I have a petition bearing approximately 140 signatures signed by constituents of my riding of Cambridge.

The petitioners believe that all Canadians are equal in the eyes of the law and that section 718(2) of Bill C–41 excludes some groups by naming some. As a result, the petitioners pray and request that Parliament delete section 718(2) from Bill C–41.

HUMAN RIGHTS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, pursuant to Standing Order 36, I would like to present a petition on behalf of six of my constituents and a number of other citizens calling on Parliament to amend federal legislation to prohibit discrimination based on sexual orientation.

LEONARD PELTIER

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I rise with another petition in the Leonard Peltier case. This petition is from 150 people in the Peterborough area and other parts of Ontario.

The petitioners say that the paperwork surrounding Mr. Leonard Peltier's extradition from Canada to the United States was falsified by the U.S. authorities. Key witness Myrtle Poor Bear who signed the falsified affidavits now publicly admits that she lied on the paperwork as well as at the trial. The U.S. courts refuse to put her on the stand, labelling her as mentally incompetent.

The petitioners point out that since that time various information has surfaced which indicates that Leonard Peltier is innocent but still remains in prison after 18 years.

• (1520)

Under the U.S. freedom of information laws it was found that the FBI had withheld certain evidence that would have been helpful in Mr. Peltier's case.

Therefore, the petitioners request that Parliament lobby and advocate on behalf of Mr. Leonard Peltier to obtain a prison transfer to Canada.

HUMAN RIGHTS

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Madam Speaker, I rise today to table two petitions on behalf of residents of my riding of Bruce—Grey.

The first petition calls upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase "sexual orientation".

ASSISTED SUICIDE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Madam Speaker, the other petition requests that Parliament ensure that present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law which would sanction or allow the aiding and abetting of suicide, active or passive euthanasia.

SOCIAL PROGRAMS

Mrs. Anna Terrana (Vancouver East, Lib.): Madam Speaker, I am pleased to rise to present six petitions from the province of British Columbia.

The first petition deals with the issue of Canada's social programs. The petitioners say that along with other Canadians they have certain basic rights and that deep cuts to social programs will hurt all Canadians and will have a profoundly negative impact on the four million adults and children living below the poverty line.

The petitioners therefore request that Parliament maintain and enhance Canada's social programs.

ASSISTED SUICIDE

Mrs. Anna Terrana (Vancouver East, Lib.): Madam Speaker, the second petition signed by 308 individuals deals with euthanasia. They say the majority of Canadians respect the sanctity of human life. They request that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously.

HUMAN RIGHTS

Mrs. Anna Terrana (Vancouver East, Lib.): Madam Speaker, the final petition deals with the issue of sexual orientation. The petitioners say that more than 80 per cent of Canadians believe that gays, lesbians and bisexuals are subjected to discrimination. They call upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

CANADIAN WHEAT BOARD

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition signed by 54 Canadians including three resident in my riding.

The petitioners are calling upon Parliament to maintain the single desk selling monopoly of the Canadian Wheat Board. They further request steps be taken to expand the powers of the wheat board so that more grains and oilseeds can be placed under monopoly control.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulated across Canada. This particular petition has been signed by a number of petitioners from the Surrey and Delta regions of British Columbia.

The petitioners would like to draw to the attention of the House that managing a family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

Therefore, the petitioners pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

HUMAN RIGHTS

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, I have before me three petitions signed by members of the Peace River riding.

The first petition is signed by 127 people who call upon the Parliament of Canada to oppose any amendments to the Canadian Human Rights Act or the charter of rights and freedoms which provide for the inclusion of the phrase "sexual orientation".

I agree with that petition.

GUN CONTROL

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, the second and third petitions deal with the issue of gun control.

The petitioners call upon Parliament not to enact any further firearms control legislation, regulations or orders in council. They are also opposed to any laws that put more restrictions or a prohibition on legal firearms ownership.

INCOME TAX ACT

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Madam Speaker, it gives me great pleasure to present this petition signed by 25 petitioners. They are calling upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children as well as for the disabled, the chronically ill and the aged.

GUN CONTROL

Ms. Roseanne Skoke (Central Nova, Lib.): Madam Speaker, pursuant to Standing Order 36, I present six petitions containing 1,848 signatures. It calls upon Parliament to reconsider the passing of legislation on the new gun control measures as tabled in the House. They are hopefully requesting amendments.

• (1525)

ASSISTED SUICIDE

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, I have three petitions to present today.

The first petition is signed by 45 people who express great concern with respect to the aiding or abetting of suicide and active or passive euthanasia.

ABORTION

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, the second petition which is signed by 42 people of my riding expresses their concern with abortion. The petitioners call upon Parliament to exercise its authority to enact legislation to halt abortion.

FIREARMS

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, the last petition which I have to present is signed by 215 citizens. They request that Parliament support laws which will severely punish all violent criminals who use weapons in the commission of a crime and that Parliament support new Criminal Code firearms control provisions which recognize and protect the rights of law–abiding citizens to own and use recreational firearms.

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Madam Speaker, I rise to present five petitions bearing hundreds of signatures of Yellowhead constituents.

These petitions are due largely to the efforts of Edson Reynolds of Evansburg. The petitioners ask Parliament to introduce legislation by which the criminal misuse of firearms would be severely punished and the right of law–abiding citizens to own and use firearms would be protected.

I concur with the petitioners.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I would ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

[*Translation*]

MOTION FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I suggest that the notice of motion for the production of papers be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1995

BILL C–76—TIME ALLOCATION MOTION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I move:

That, in relation to Bill C–76, An Act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, not more than one further sitting day shall be allotted to the consideration of second reading stage of the Bill; and

That, fifteen minutes before the expiry of the time provided for Government Business on the allotted day of the second reading consideration of the said Bill, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary for the disposal of the second reading stage of the Bill shall be put forthwith and successively, without further debate or amendment.

[*English*]

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

Government Orders

(Division No. 200)

YEAS

Members

Adams
Anderson
Assad
Augustine
Bakopanos
Beaumier
Bethel
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Catterall
Chamberlain
Clancy
Collenette
Comuzzi
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Finlay
Fontana
Gagliano
Gallaway
Godfrey
Gray (Windsor West)
Harb
Hickey
Iftody
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacLaren
Malhi
Manley
Marleau
McCormick
McKinnon
McWhinney
Milliken
Minna
Murray
Nunziata
Ouellet
Paradis
Patry
Peric
Phinney
Pillitteri
Reed
Richardson
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Steckle
Szabo
Terrana
Torsney
Valeri
Volpe
Wappel
Whelan
Young

Alcock
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Barnes
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Cauchon
Chan
Cohen
Collins
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Fewchuk
Flis
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Graham
Guarnieri
Harvard
Hubbard
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Massé
McGuire
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Nault
O'Reilly
Pagtakhan
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Proud
Regan
Rideout
Rompkey
Serré
Skoke
St. Denis
Stewart (Brant)
Telegdi
Thalheimer
Ur
Vanclief
Walker
Wells
Wood
Zed—138

NAYS

Members

Abbott
Asselin
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yellowhead)
Brien
Bélisle
Caron
Crête
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Prince George—Peace River)
Johnston
Lalonde
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mills (Red Deer)
Nunez
Penson
Plamondon
Ramsay
Rocheleau
Schmidt
Solberg
St-Laurent
Taylor
Tremblay (Rosemont)
Wayne
White (North Vancouver)

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Chrétien (Frontenac)
Dalphond-Guiral
Debien
Deshaies
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Hoeppner
Kerpan
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Meredith
Ménard
Paré
Picard (Drummond)
Pomerleau
Ringma
Sauvageau
Silye
Solomon
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
White (Fraser Valley West)
Williams—90

PAIRED MEMBERS

Bachand
Gaffney
Langlois

Dubé
Harper (Churchill)
McLellan (Edmonton Northwest)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

● (1610)

The House resumed from April 6 consideration of the motion that Bill C-76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I am rising to participate in the debate today, in part

because of the importance of the bill. I want to put some views in respect of the bill on the record.

Also I want to anticipate what I know members opposite are going to say in the course of their remarks. I expect that you, Madam Speaker, and members of the House will be treated to a lot of bleating and whining and shrieking this afternoon about the evils of time allocation.

I want to speak briefly about the virtues of time allocation, at least in respect to the bill today. I certainly have had cause to criticize its use in the past. I want to point out today some relevant facts about the use of time allocation in the debate on this bill.

[*Translation*]

We have been debating this bill for four days. We debated it on March 30, March 31, April 3 and April 6. And there had been almost 16 hours of debate until today.

[*English*]

I turn to the experience we endured in respect of Bill C–93 during the debates in 1992 and 1993. That was another budget implementation bill. It implemented a budget much worse than the one to which Canadians have been subjected by the Minister of Finance. He has had to take very difficult steps in the budget, in part because of the dreadful budgets we endured during the Tory years. Members on this side of the House will remember.

An hon. member: Yes.

Mr. Milliken: I do not think anyone except the hon. member for Beaver River from the other side and some of the New Democrats will remember that.

Mr. Boudria: The Leader of the Opposition.

Mr. Milliken: Oh, yes, the Leader of the Opposition. He helped to bring in these budgets. I forgot about that. I am glad the chief government whip reminded me of it.

In any event, in 1992 and 1993 when we were debating Bill C–93, time allocation was used after eight hours and nineteen minutes of debate. We have already had almost double the debate before time allocation was used on this bill.

I know the hon. member for Beaver River was here and I suspect she may have even spoken. Let me just check the list. No, I do not see her name. She did not get to speak on that occasion. I am sorry she did not because I am sure she would have denounced the Conservative budget too.

She should be praising this one because it is doing all the things she used to say the Tories did wrong. We have corrected the Tory errors. We are trying to make up for their blunders. She used to denounce them for failing to do things that we are now doing. I am sure that in her heart of hearts she supports this budget and would like to be able to vote for it today.

An hon. member: She does. She does.

Mr. Milliken: Except that her leader has told her she cannot, so she is stuck.

An hon. member: No free vote.

Mr. Milliken: I will leave her out of it for the time being.

I want to point out that we have moved time allocation in respect of the bill because we have had 15 hours and 40 minutes of debate before today. We will have the rest of today on the bill, all of the time allotted for Government Orders.

I am sorry we could not get any arrangement to extend the time beyond that. Had we been able to get agreement pursuant to the rules to limit debate to a certain time, the government House leader in his beneficence would have given the time. We were prepared to do that. However there was no willingness on the part of the opposition to indicate when they would terminate debate so the government has taken the step of bringing in time allocation.

An hon. member: Shame.

Mr. Milliken: It is a reasonable and fair use of the rule. The hon. member from the New Democratic Party is yelling shame, but he is smiling at the same time. In fact he knows we are letting the opposition off the hook by using this because they were running out of people who could make any intelligent remarks on this bill. Virtually everyone had spoken. The well was running dry. By using time allocation today we are in fact helping the opposition.

• (1615)

Let us turn to their criticisms of the budget. We are getting it on both sides. It is worth the opposition parties hearing this. We have the Bloc Quebecois on the one hand saying our cuts are too draconian, and we have the Reform Party on the other hand saying the cuts do not go far enough.

Mr. Harper (Simcoe Centre): We are right and they are wrong.

Mr. Milliken: There we have it. We hear it from the hon. member for Simcoe Centre. He says that they are right and the Bloc is wrong. The thing is they are both wrong. It is the government that has it right.

Mr. McCormick: It shows in the polls.

Mr. Milliken: It shows in the polls, as my friend from Hastings—Frontenac—Lennox and Addington has indicated. It shows in the polls and it shows in the hearts of Canadians. They realize the government had to take tough measures. The govern-

ment took tough measures and Canadians support their government in the tough measures.

The hon. member for Simcoe Centre wags his head and says that somehow they are not tough enough. The hon. member for Bellechasse wags his head and says that they are too strong. I will not choose between the two extremes. We have chosen a reasonable path, a tough path but a fair path. That is what the Minister of Finance did in his budget.

It is important, in looking at what he did, to bear in mind the fact that he was trying to achieve equity, fairness and a balanced budget. That was important.

Mr. Harper (Simcoe Centre): And he failed.

Mr. Milliken: The hon. member says that he failed. I point out some facts that indicate it did not fail. It was a very significant budget. It will be a great success.

It takes action to reduce government spending and refocus activities of government on priorities and needs. The goal of the strategy is clear, concrete and compelling. It is to restore national fiscal health to Canada. In so doing it will reshape the role of government to build a stronger and more dynamic Canadian economy.

The budget will provide sustained growth for Canada and confidence in Canada's future. New jobs will be created as a result of the budget in spite of the ones that are lost, which we all regret. It will also allow the Canadian government to preserve its ability to help those in need. Major cuts in the social programs of the country are not contained in the budget.

To meet the goal, the budget delivers on the commitment to cut the deficit to 3 per cent of the economy in two years. That was a red book commitment. Hon. members opposite do not like to hear about the red book because it upsets them. It was a success. It worked and it is still working.

An hon. member: We will probably exceed it.

Mr. Milliken: The hon. member says: "We will probably exceed it". I agree with him. I intend to refer to that later in my remarks. If the economic performance is stronger than the very prudent forecast of the minister in his budget, the deficit should fall even more.

The fiscal actions taken in the budget will total $29 billion over the next three years, more than any budget since World War II. In two years program spending will be $10.4 billion lower than it is today.

Just as important, the budget also changes the structure of how the government operates. The changes will ensure that spending will be restrained beyond the two–year target period so that the deficit will continue to fall, much to the dismay of Reformers, and will reflect the government's commitment to eliminate the deficit entirely.

To achieve these results the budget takes fundamental action across government programs and operations. It implements the results of program review, a comprehensive examination of departmental spending. The government will focus on what is essential and the government will do it better. The budgets of some government departments, as hon. members know, have been cut in half.

The budget also acts on the new vision of the federal government's role in the economy, one that includes substantial reductions in business subsidies. These will drop from $3.8 billion this year to $1.5 billion by 1997–98. They are very substantial cuts.

The budget reforms major transfers to the provinces, modernizing the federal–provincial fiscal regime and making it more effective, flexible and affordable. These wide ranging reforms will mean a smaller public service. Some 45,000 jobs will be eliminated as we have heard in the budget speech, but we will manage this difficult process with as much fairness as we can manage including the use of early departure and retirement incentives, some of which have already been announced by the involved ministers of the crown.

It is also essential to be fair to the taxpayer, and the budget is fair to Canadian taxpayers. The tax changes are modest. They affect only the most wealthy. The cuts are $7 to every $1 of increase in tax. It is a fair budget; it is a good budget. The hon. members opposite should be voting for the bill.

• (1620)

The Acting Speaker (Mrs. Maheu): I remind hon. members that debate is now 10 minutes maximum with no questions and comments.

Mr. Ted White (North Vancouver, Ref.): Madam Speaker, the hon. member for Kingston and the Islands did a desperate job of defending the restrictions on debate this afternoon, but there really is no excuse for restricting debate on such an important topic. It is not because the media do not think it is a hot topic any more but because people out there are aware of the budget and the problems it could produce.

At the various public meetings I am attending people keep asking me: "What did you think of that budget?" It is almost as if there is this background awareness that the budget, which was a major anticlimax, might just come back to haunt us.

Several weeks ago when the finance minister had his short meeting with Moody's bond rating service it was clear that Moody's went away dissatisfied with the explanation from the finance minister. The *Financial Post* predicted the same day that Canada's debt rating would be downgraded within a few days. As we see that is exactly what happened.

Even when Moody's announced the downgrade the markets had already anticipated the news and there was very little reaction out there. As the lack of substance in the budget becomes more and more apparent, it is quite likely we will continue to incur ever higher interest rates to finance our borrowings.

We have been lulled into a false sense of security lately by a dollar that seems to have risen a little in value. I even heard the business reporter on CTV this morning saying that our dollar was holding up very well. However, when we look at our currency against a basket of major world currencies instead of simply comparing it with the U.S. dollar, we find that our currency has continued to drop against the basket of major currencies.

In an international sense we are actually losing ground quite rapidly. This means that price inflation is just around the corner. Significant price jumps have started to occur already in some consumer products. In my office we recently purchased a second laser printer. The price had jumped more than 8 per cent in six months. Can anyone remember when the price of electronic goods actually went up? Prices have been dropping for years now, and all of a sudden we have price increases on things like cameras, VCRs, vegetables, garden tools, paint and cars, almost everything. It is starting to look like standard Liberal economic policy: allow the dollar to drop and inflation comes roaring back in.

The dollar dropped in the late seventies and early eighties from $1 to 85 cents. Inflation rose. The export sector boomed. It all looked very rosy. We had the appearance of prosperity while our deficit and debt were ballooning dramatically. Unfortunately the strategy is not going to work this time. We are a little too close to the debt wall for it to be effective.

Because of my business background I have quite a number of friends who are small business people. I have taken the time to ask them in the last few weeks about their sales and price levels over the past six months. In a group that includes one of the most productive realtors in the country, a hardware and garden tools importer, a car dealer and a furniture sales company, all have experienced dramatic drops in sales over the past two months at the same time as they have experienced huge price increases from suppliers because of the low dollar.

Stacey's, a large furniture manufacturer in Vancouver, revealed on a radio talk show last week that bankruptcies in the furniture industry were imminent because sales had suddenly dropped to levels lower than they were in the last recession. On the same radio talk show, bankruptcies of car dealers were being predicted as well.

The hardware importer I know has had two price increases exceeding 15 per cent, in some cases since January, and reports that some retail clients have declared bankruptcy in the past month. Sales in this sector have dropped sharply at the same time as the price increases that they are trying to pass on because of low profit margins.

Except for the export sector, the good news is not being passed on to other parts of the business sector. In the meantime there are those sneaky budget tax increases in place taking a bite out of everyone's spending power.

• (1625)

The Liberals and the NDP must be the only people in the country who think that the penalty tax on banks announced in the budget will not lead to higher bank service charges or loan charges for the average Canadian.

Liberals and the NDP must be the only people in the country who think that a 1 per cent increase in corporate taxes and a change that forces corporations to report their income at the end of a calendar year will not lead to an increase in the price of goods.

Liberals and the NDP must be the only people in the country who think that a 1.5 cent increase per litre on gasoline will not lead to an increase in the price of gasoline. Actually the new gas tax also increases the GST because GST is added on after the other taxes on the price of gasoline.

Incidentally the Deputy Prime Minister said during the election campaign that if the GST had not gone within a year of the election she would resign. She has not done that yet.

As I have said before, despite the tax increases and the token spending cuts, the ship of state is still going down a little bit slower with a smaller crew on board. That is all. In three years the increase in interest payments on our growing debt will consume every cent of savings the minister made in his budget. He did not go nearly far enough and he is not going fast enough.

I mention New Zealand all the time in my speeches. It has shown us the way by making some pretty massive cuts in government spending at the same time as it lowered taxes. New Zealand is now expecting a budget surplus in excess of $3 billion. It forecast $2 billion and is getting in excess of a $3 billion surplus. It has increased spending on social programs. Its unemployment rate is down to 5.6 per cent.

I cannot use props in the House but I have a full page advertisement from a New Zealand newspaper wherein Roger Douglas, the architect of a lot of New Zealand's restructuring, has now proposed that by the year 2000 New Zealand could have zero income tax.

I am not suggesting we could follow the procedure here because New Zealand is going to run on a 15 per cent GST. That is easy to do with a consumption tax when there are no bordering countries. Perhaps by the year 2000 New Zealand could be income tax free and running on just a consumption tax. Imagine zero per cent income taxes. That is pretty good.

I repeat what I have said before. The best way to put more money in the hands of the poor, of families, of business, of everyone, is to cut spending and to cut taxes. Tax cuts and spending cuts make it easier for people to buy homes and improve their standard of living. Things work better when people make their own spending decisions instead of having big brother government make the decisions for them.

High taxes punish those who are the most productive in our society. High taxes are a symptom of a government's failure, incompetence and inability to see the damage taxes are doing to society.

The finance minister gave it his best shot and was overruled by what might be a socialist cabinet. I congratulate him for trying but I castigate him for not doing what he knew had to be done. He stands responsible for the massive loss of net worth that is now occurring for Canadians across the country who do not have offshore shipping companies and a multimillion dollar worth.

Shame on the government. Shame on the MPs who failed their constituents by avoiding the truth that we cannot buy our way out of poverty. We have not even begun to address other very real problems with government programs that lead to waste and cheating.

For example, I have a copy of an advertisement that appeared in the Vancouver *Sun* on March 4, 1995. It was sent to me by a constituent, Mr. George Brooks. The advertisement reads:

> UIC top-up positions: two festival production jobs available mid-April with performing arts association. Outgoing individuals with festive or event experience sought. Must have minimum of 21 weeks UI benefits.

My constituent asks since when has UIC been a prerequisite for employment in Canada. Here we have blatant abuse of a program that is supposed to help people get retrained. Mr. Brooks has asked quite a good question.

• (1630)

Special interest groups know how to milk our system. Nothing was done about it in the budget.

Look at Bombardier. The hon. member mentioned government grants to business. Bombardier, a tremendously profitable corporation, is receiving grants from the federal government. These grants go directly to the bottom line because it is a profitable company. We have no business giving grants to a company like Bombardier.

I urge members to vote against the implementation of the 1995 budget on the basis that it has failed to address government spending and brings us one step closer to a debt and currency crisis.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I have to wonder what the hon. member who has just spoken has been reading, where he gets his information and why he is referring to what he believes to be a currency crisis or something like that. It is that kind of irresponsible talk on the part of hon. members which could do damage to the economy of this country.

Luckily for all of us, and I will put it as kindly as I can, very few people, if any, would believe what the hon. member has just said. That is why it likely will not do any damage. I could put it a bit less kindly but I will not.

[*Translation*]

The budget tabled in this House on February 27 by the hon. Minister of Finance provides for the most stringent measures ever adopted by any government in the last 50 years. During the last election campaign, we promised the Canadian people in the red book that we would reduce the deficit to 3 per cent of GDP by 1996–97. That is what we are going to do. Not only that, but we will probably do more: we will reduce the deficit even more vigorously than we announced.

Second, as you know, the deficit will be down to 1.7 per cent of GDP the following year and, who knows, Canada may even have a balanced budget one or two years later.

We in the Liberal Party have managed to do in a few years what the Tory government was never able to do during its nine years in office. During those nine years, Tory ministers made annual fiscal projections about Canada's deficit. Not once did the Tory government ever meet its objectives.

We have brought down two budgets. After the first budget, we not only met our objective, we exceeded it. Of course, the second budget was tabled only a few weeks ago, on February 27 to be exact, and we are still putting in place the measures needed to meet requirements.

Total savings over the next three years will be $29 billion: $5 billion in 1995–96, $10.6 billion in 1996–97 and $13.3 billion in 1997–98. Reform members just told us that no money would be saved. That could not be further from the truth.

Take a good look at some of the cuts that were made. We will have reductions, in departmental budgets for example, totalling $3.9 billion in 1995–96, $5.9 billion in 1996–97 and $7.2 billion in 1997–98. The public service will be reduced by some 45,000 positions. Of course, as a member of the party elected in the National Capital Region, I am not thrilled to see some of my constituents lose their jobs. But if we had not taken these harsh measures, that will work and have indeed worked so far, we would be much worse off in the future.

Subsidies to business will be reduced by some 60 per cent. That is a major reduction.

• (1635)

Only major banks are hit with tax hikes. Other businesses were almost all spared, except, of course, for the fuel tax, which increased by 1.5 cents per litre. That is the only new tax that will affect most of my constituents, generally speaking.

[*English*]

Some Bloc Quebecois members say that this budget is way too severe or something to that effect. Members of the Reform Party say it is not severe enough. Could it be that these two groups are at one extreme and the other? Could it be that the middle ground is what is reasonable? Could it be that the middle ground is the belief of Canadians and also the program on which we were elected? I say it is so and it is not just me. Let me read what some other Canadians have said.

Here is what Jayson Myers of the Canadian Manufacturers' Association said: "I am impressed. I applaud the minister for what he has done". That is a quote from this business leader. Reform Party members pretend they know what is good for business. Let us listen to another one.

[*Translation*]

"This is a good budget", said Ghislain Dufour, president of the Conseil du patronat du Québec. Again, this is from someone who ought to know what he is talking about.

[*English*]

This statement is by Fred Ketchen, chairman of the board of the Toronto Stock Exchange, probably not a bleeding heart socialist. He says: "A responsible, a fair, a realistic and even a humane budget".

Mr. Pension: Any grants?

Mr. Boudria: I say to members across the way that grants to businesses have been cut by 60 per cent. Of course they probably were not listening, they never do.

Here is another quote: "It is a good budget on several fronts". This was stated by Peter Wolford of the Retail Council of Canada. The Retail Council of Canada sure does not get any grants. Let us listen to another one.

[*Translation*]

Michel Audet, president of the Province of Quebec Chamber of Commerce said: "This is a real budget based on concrete measures". Now listen to this: an economist with Nesbitt Burns—since the members opposite want to hear from the financial sector—said: "This is a great budget and not just a smoke screen". That person added that this was a realistic budget.

[*English*]

This is what Lloyd Atkinson of MT Associates said: "This is one of the few budgets I have seen in a very long time where the promise was matched by the reality". That is us. We made commitments to the people of Canada in the red book and we are going to live up to those commitments. Whether those commitments are for gun control, for restoring the financial integrity of this country, or for good government and sound and frugal management, all of those things will be delivered because that is what we said we would do. In fact, that is what we are delivering to the people of Canada.

Mr. Penson: What about the GST?

Mr. Boudria: Some members are asking us about the GST. We are well on our way to correcting all of the things we want to. We were only elected 18 months ago. Our program is for a five year mandate and we will deliver. In our second mandate we will have another red book and we will deliver again. In our third mandate we will do the same thing, and so on. We intend to provide good government in the short, medium and long term for the people of Canada. The people of Canada know this and will recognize this in the next election campaign in 1998 or whenever it occurs.

While we are talking about election campaigns, Bobby Rae in our own province of Ontario is probably going to call an election within a few days. His mandate has completely expired. He tried to launch an attack against the budget until he realized that most, if not all, Canadians agreed with the budget except for him. Of course, he was unable to use the budget to launch his campaign. His left wing agenda is not going anywhere because that is not what the people want.

• (1640)

Neither will the common nonsense revolution of Mike Harris in Ontario. I am sorry, the common sense revolution as he calls it is not going to fly anywhere because again there are the two extremes like we see across the way.

The people of Ontario will also do the right thing. They will elect Lyn McLeod and a very good government for the province of Ontario, such as we are delivering to the people of Canada.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, the Bloc Quebecois decided to fight Bill C–76 tooth and nail. Basic reasons motivate us to keep this promise, for example, fairness. All too often, the budget hits the middle class and the needy instead of addressing inequities within the tax system.

The government has refused to review the tax system, despite the Bloc Quebecois' repeated requests over the past year and a half. In addition, the current budget cuts do not target unnecessary or extravagant spending, such as the purchase of furniture for the fisheries minister's office. No, they hit the neediest.

Another example is the army. The Bloc Quebecois recommended cutting the Minister of National Defence's budget, but only targeted unnecessary spending or spending in non–essential areas. For example, Operation William Tell, $7 million; the lavish fishing trips to the tune of $1.2 million; the number of generals, their assistants and retinues of support staff; mansions for high–ranking officers; the Reserves, which cost us some $532 million but have no specific mission, according to several generals.

Instead, with Bill C–76, the government hits the neediest, widows, orphans, and veterans, whose average age is 73 years.

Bill C–76 hits three acts which are administered by Veterans Affairs. The seven clauses of the bill which affect these three acts all cut benefits and allowances.

Clause 42 will have the effect of gradually phasing out education assistance benefits for the children of deceased veterans. In fact, clause 42 amends the Children of Deceased Veterans Education Assistance Act. This amendment initiates the gradual phasing out of a veterans benefit that provides the children of deceased veterans with the assistance they need to continue their education. With a few exceptions, the 85 students now receiving these benefits are the children of deceased military personnel who participated in Canadian peacekeeping missions. Students who were receiving the benefit on the day the budget was tabled will continue to receive it under this legislation but the department will not accept new applications.

Clauses 68 to 72, inclusive, amend the War Veterans Allowance Act by terminating the payment of allowances to allied veterans of resistance groups. As of September 1, 1995 or within two months after Bill C–76 receives royal assent, whichever comes later. The same provision will also initiate the gradual phasing out of allowances payable to allied veterans in uniform who immigrated to Canada at the end of their service and resided in Canada for at least 10 years before applying for veterans allowance.

Bill C–76 will terminate payment of allowances to about 3,000 veterans. Payments will also be terminated in the case of 1,000 veterans of resistance groups whose old age security and Canada Pension Plan benefits raise their incomes just above the threshold below which they would be entitled to certain health care benefits. The provinces will inherit this new set of clients, two thirds of whom are Quebecers.

Clause 73*(a)* would terminate compensation for loss of income in the case of veterans who are required to appear before a review board.

• (1645)

Clause 73*(b)* would also do away with compensation for income loss and includes other restrictions on travel and living expenses occasioned by a medical examination required by the minister. We oppose this loss of benefits for veterans. Society's disadvantaged—seniors, widows and children—are being attacked.

Let us look at a specific example: a woman in Montreal, a widow, who has just received a notice in the mail. The director general of veterans' benefits at Veterans Affairs Canada, Doris Boulet, is advising her that she will lose all the assistance she has been receiving for a number of years. Under the provisions proposed in Bill C–76, this woman will lose on a number of counts. First, she will lose her allowance. Second, she will no longer enjoy the related benefits she received from Veterans Affairs Canada, including her Blue Cross identity card. Third, she will no longer have access to veterans' independence programs, nor, fourth, to Veterans Affairs Canada contributions to long term health care. In short, she is being abandoned.

The letter tells her to act quickly to find other sources of financial and health care assistance. It reminds her of existing programs: federal government programs, such as old age security and the guaranteed income supplement, and provincial government programs, such as social assistance and health care plans. She is advised that these are her options to help her replace the financial assistance and the other benefits she will no longer enjoy following adoption of Bill C–76.

In fact, the need of that woman is recognized, but she is simply referred to other federal and provincial public services. This is a good example of duplication. That woman is told that she can get help from both the federal and provincial levels. Yet, as I recall, veterans affairs come under federal jurisdiction.

Here is another example. The hon. member for Saint–Hyacinthe—Bagot learned from Branch No. 2 of the Royal Canadian Legion that the Sainte–Anne–de–Bellevue hospital is increasing the monthly rate for its rooms from $547 to $704. This increase of 28 per cent brings to 198 per cent the total increase for these veterans since 1990. Veterans are offended, hurt and humiliated by such off–hand treatment on the part of a country they paid to protect. Why penalize these veterans by offloading onto them the financial burden related to the treatment of injuries which they suffered while defending our country? There are many other places cuts could have been made.

If I had suggested that the responsibility of the Department of Veterans Affairs should be decentralized and delegated to the provinces to ensure greater efficiency, federalists would immediately have objected, on the grounds that this is an exclusive federal jurisdiction. Bill C–76 leads us to one conclusion: the federal is no longer able to meet its responsibilities. Why not decentralize by delegating to the provinces responsibilities as well as tax points?

The federal system is obsolete. We need autonomous provinces which would give to the federal government, or to another economic and political union, a mandate and a budget to manage certain joint responsibilities. In short, the Bloc is opposed to the

loss of these benefits for veterans. The poor, the elderly, widows and children are too often the ones who are targeted.

[*English*]

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Ottawa West—Public service of Canada.

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Madam Speaker, it is a pleasure to rise to bring some reality to the fact that the Canadian public is in tune with and in favour of the recent budget.

At a recent meeting in Haliburton I had the pleasure of speaking to a group from the chambers of commerce from Haliburton to the Quebec border. Most of them are managers, some operate chambers of commerce, are CEOs and so forth. They agreed that for the first time since the 1940s there was actually a budget cut, that it was not just a freeze, it was not something that would be taken off at the next election, it was not something that was going to change. It was actually an alternate course the government has decided to embark on. They applauded that.

• (1650)

In researching the budget in order to speak to the chamber of commerce and find something to talk about that I thought would be of interest to them, I did look at the reduction of business subsidies. These are dear to most of our hearts. We all believe that businesses should not be financed by federal governments. We have talked about that many times.

A key principle of the 1995 budget, as the Minister of Finance said, was to redesign the role of government in the economy to fit the size of the pocketbook and the priorities of our people. The decision dramatically reduces subsidies to businesses and shows how that principle is at work.

The simple fact is that subsidies often did more harm to businesses than help. It is a problem business leaders themselves have often pointed to. This was confirmed in the 1994 OECD job studies, which said that subsidies tend to operate in exactly the opposite way from what is needed: they slow rather than stimulate adjustment, they discourage rather than encourage innovation, and they tend to become permanent.

That is why the budget cuts business subsidies by 60 per cent, from $3.8 billion last year to $1.5 billion by 1997–98. Areas where subsidies will drop sharply include agriculture and transportation. Again, we can no longer afford subsidies that were designed decades ago and that today are actually undercutting adaptation, diversification, and competitiveness.

Western Grain Transportation Act subsidies are being eliminated, for a savings of $2.6 billion over five years. But because of the scope of this change there will be transition measures. For example, we will make a one–time payment of $1.6 billion to prairie farmer landowners and invest a further $300 million to help establish a more efficient grain handling and transportation system.

As well, in line with the recent decision of federal and provincial agriculture ministers, we will develop a core national whole farm package. This shared cost program will replace current programs based on individual commodities. This will encourage innovation and diversification while producing a 30 per cent reduction in federal contributions to agricultural safety nets.

The Atlantic freight subsidies will also be eliminated, for five–year savings of $500 million. This again will be balanced by a five–year transition program, including helping to modernize the highway system in Atlantic Canada and eastern Quebec.

Of course our cuts to subsidies extend far beyond agriculture and transportation. At Industry Canada subsidies will fall by half, from $525 million in 1994–95 to $264 million in three years. Remaining spending will focus on initiatives in high growth sectors and in partnerships with the private sector.

A new role for the regional development agencies will see them focusing on small and medium sized enterprises. This assistance will rely on loans and repayable contributions rather than direct subsidies. As a result, subsidies from these agencies, the western diversification, the Federal Office of Regional Development for Quebec, the Atlantic Canada Opportunities Agency, will drop from $700 million to $234 million.

Subsidies to cultural industries are also being reduced. This includes an eight per cent reduction in the postal subsidy, which reduces mailing costs for certain books and magazines.

As well, we are eliminating the Public Utilities Income Tax Transfer Act, which returns to provinces the taxes paid by privately owned utilities. As a result, major energy subsidies will virtually disappear, dropping from $410 million now to $8 million.

These subsidy cuts are vital components in restoring Canada's fiscal health. We also recognize that there are times and places where governments can and should assist the private sector in today's fast changing global environment. For example, the government will continue to play an appropriate role in supporting exports for companies in sectors facing intense international competition.

• (1655)

The government will be working with Canada's banks between now and the fall to elaborate meaningful benchmarks regarding small business lending.

A survey in my riding provided overwhelming support for the budget. In fact most would have gone further. Eighty per cent approved the cuts made and are looking for Canada to live within the fiscal constraints of the reality of our income.

The results of my survey include to this date 1,167 people as of yesterday. One of the questions was: Do you agree with the government department spending cuts announced in the 1995 budget? That was a very simple question. The response was no, 18 per cent; yes, 73.6 per cent.

Do you believe the government spending cuts went too far? Yes, 8.7 per cent; no, 83.9 per cent. Do you believe that the government's spending cuts did not go far enough? Yes, 70 per cent; no, 19.6 per cent. Do you support the proposed changes to MPs' pensions? The survey indicated what those changes were. Yes, 90.9 per cent.

An hon. member: Is that not interesting?

Mr. Harper (Simcoe Centre): I wonder about that.

Mr. O'Reilly: Is that not interesting? They support them. No, 6.8 per cent.

The other one I really liked: Do you believe that your member of Parliament should opt out of the pension program provided for members of Parliament? Yes, 28 per cent; no, 82 per cent.

What are the people of Canada saying about the budget? They are saying that they support it. What are they saying about members' pension plans? They are saying that they support those cuts.

So the doom and gloom from across the way is just that, doom and gloom. I am not sorry we have taken the Reform agenda away from them. It does not bother me at all.

There are 205 rookies in Parliament who came here to make a difference. This budget made a difference. The Liberal Party made a difference, and we will continue to provide good government for Canadian people, which is what they asked for and what they elected us for and what we are doing.

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, it gives me pleasure to rise today to speak against Bill C–76, the budget implementation act.

I would like to make a couple of comments before I get into my presentation. I just cannot help but do this.

I was interested when the government whip in his presentation was making all those quotes about what people said about this magnificent government budget. One quote that he apparently forgot was the very important quote from Moody's. The quote from Moody's of course was: "This budget is too little, too late, and unrealistic." It is going to cost all Canadian taxpayers millions if not billions of dollars because Moody's did give that verdict on the budget.

I was also interested in the survey results just quoted by the member for Victoria—Haliburton, where his constituents said that they supported the budget, that they supported the cuts. They want cuts. The very next question was that the cuts did not go far enough. That is what his people responded to, and that is what the Canadian people are saying in responding to the budget. It made some cuts. They were not deep enough. They did not go far enough.

I guess it is appropriate to be talking about the budget today because today marks a milestone. The debt passed $550 billion today, not a milestone we can be very proud of. In fact we should all be ashamed of it.

The word guts is not a word I use, but it was used by the Prime Minister the other day in responding to a question in this House. I am going to use it today in suggesting that this budget lacked guts. It did not do the things that have to be done. The courage was not there to do it. What is more, the budget lacked vision.

We have wasted a year and a half. We had our first budget and now we have come up with the second stage of a two–part budget that does nothing to address the most serious problem we have in this country. In that wasted year and a half, what has happened to the debt? The debt has gone from $490 billion to just over $550 billion. Is that an accomplishment? I do not think so.

The message a year ago in the budget was don't worry, be happy. Because of that, we are $60 billion deeper in debt. Think about that first budget. It did not help the situation; it aggravated it. It brought out the much heralded infrastructure program: $6 billion to buy your way to prosperity. It is the old shell game. Two for one. What a deal. "We will give you one, and you get two for one". The same taxpayer is being bribed with his own money.

• (1700)

Mr. Calder: Why did the member say it was a good program?

Mr. Harper (Simcoe Centre): The government realized the infrastructure program was not good. It has now been extended supposedly because the municipalities have been asking for it, but that was not stated in the budget.

Unbelievably we reduced tobacco taxes that first year. Here we are with our backs to the wall, in debt up to our eyeballs and we gave away what was admitted at the time to be about $300 million. The government did not understand the seriousness of the problem. We gave away $300 million. That does not even begin to touch the health costs implicit in encouraging people to start smoking again by reducing the taxes.

However it was not $300 million. It cost the Canadian taxpayers $850 million in an attempt to drive the bad guys away. "We are only going to do this until the bad guys disappear, then we are going to put the tax back". The Liberals were dreaming in technicolour at a time when they should not have been dreaming, they should have been facing reality.

The last thing we were involved in thanks to this government was the Pearson mess. We are still debating whether it is a Liberal scandal or a Tory scandal. While we are doing that the airport is deteriorating. The jobs that could have been created there have not been created. In the long term it will cost jobs across Canada. That is all because of the government failing to face reality and take action.

The other comment I wanted to address at the beginning was: "We did not do this; we just took over. It was the Conservatives that started all this. They did not address the deficit". The present government was in opposition. I cannot recall a great deal of emphasis from them in those years to cut spending. As a matter of fact, I detected the exact opposite. Whenever the Conservative government, realizing the magnitude of the problem, tried to do something about it like revising the UI program, the howls of indignation from the Liberals were unbelievable.

It is a little hypocritical to sit over there and say: "It is not us. We did not cause the deficit." They sure did not help by supporting the cuts the Tories were trying to make. Not to mention the government was in place when we started this slide down the debt hole. When the Liberals were defeated in 1984 the debt at that point was just under $200 billion and all Conservative efforts to reduce it failed miserably because they were not getting the support they needed from the opposition.

Now we come to the budget. A year ago it was: "Don't worry, be happy". Now Canadians are being told: "It is a serious situation. It is life threatening. We have to do something about it. We have to cut spending". They blew it big time. The one thing the Liberals had to do was show leadership by example. They had to address our gold plated MP pension plan and they did not do it. They blew big time any credibility they had with the Canadian people in that budget.

It is interesting the MP pension cuts were not in the budget. I am sure the finance minister looked at that program and said: "Forget it. It would be a disaster in my budget".

Mr. Penson: You have got to pay the price.

Mr. Harper (Simcoe Centre): You have to pay the price. You have to show leadership by example. It was not there, so the budget started off on a very bad note. They just blew all credibility.

Let us talk about the budget. In 1997 the debt will be $650 billion. That is the bottom line. That is an accomplishment? That is reality. That is a fact. Interest rates on it amount to $55 billion to $60 billion. That is reality. That is a fact. We will still be overspending by $25 billion. That is reality. That is an accomplishment? It is a disaster we are going to have to face and deal with.

The IMF brought out a study this week on growth and the world economy. It showed Canada's growth at 4.3 per cent in 1995 and 2.6 per cent in 1996. Bad news is coming. Are we prepared for it? I suggest not. Just below the growth in the world economy is how Canada's debt stacks up. It is compared to our other trading partners. Canada is the absolute worst and worsening.

• (1705)

Canada has the distinction of being the world's largest offshore debtor. That debt has increased. During the last year the offshore debt has gone from $319 billion to $341 billion. Twenty–eight billion dollars in interest payments flow out of Canada to those countries that have been supporting our lavish lifestyle. It does not do a thing for the economy. We are not in control of our own destiny. That control is in the hands of the people who have been supporting that lavish lifestyle we have been enjoying while we lived beyond our means.

What will be the future costs of the Moody's downgrade? As I suggested at the beginning, it is going to be in the area of millions if not billions of dollars. We cannot say we were not warned. We got a warning shot before the budget. Moody's said: "Your 3 per cent target is far too low and we want you to give us a date when you are going to get to zero". Rolling two–year targets are laughable.

I can see myself going to my bank manager and saying: "I know I am in debt, but will you keep lending me money if I give you a rolling two–year target?" He would throw me out of his office after he had a fit of hysterics.

Several clouds are on the horizon that are not faced in the budget and of course there is what can happen in the United States.

I will close by saying that the situation prompts me to recall buying my first home. The neighbour next door had all the trappings, lovely furnishings. I thought he must be making a lot of money. Reality was the creditors moving in and closing him down because he was doing it with his credit card. That is what we are doing and it could hurt our future generations.

The Acting Speaker (Mrs. Maheu): I remind the next member that we have only eight minutes left.

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Madam Speaker, I would like to speak to Bill C–76.

I just read something in *Quorum*: "A new fever for frugality". That is what we are talking about today. Among other things I have learned in my last 18 months as a politician are three words: imbalance, fluctuation and disturbance. These are three words that politicians hate to hear. They are also the basis for innovative and creative thinking. That is what the budget is showing right now.

The 1994–95 estimates show the first reduction in budgetary requirements in 20 years. In the next fiscal year spending here will drop by 6 per cent, and 3 per cent each year after. Senior employees on the House staff have been cut by 15 per cent. MPs remuneration, salaries, as an example, have been frozen and will remain frozen.

Mr. Harper (Simcoe Centre): Tell us about the pension plan.

Mr. Calder: The pension plan has been cut back also. I get a kick out of how cynical the member for Simcoe Centre can be at times. The member and I had the opportunity a couple of weeks ago to tour base Borden. This will give members a rough idea of the innovation I am talking about.

With the cuts that have been made to the Department of National Defence, base Borden at the present time is working in conjunction with Georgian College. The member knows this because we saw it. Base Borden is conducting welding classes as a way of utilizing the facilities. It is holding catering courses and courses for firefighting and for paramedical training. The member knows this.

This is all part of budget cuts and innovative thinking. This is what I am talking about if the member would just listen. We wanted to make sure the budget was fair to the taxpayer.

Mr. Penson: Did you run your farm like that?

Mr. Calder: I went through this with my farm.

The Acting Speaker (Mrs. Maheu): Order. I would ask members to address their remarks to the Chair.

Mr. Calder: Madam Speaker, I apologize. The member asked if that was the way I ran my farm. In 1984 I was a pig farmer. The draconian cuts he and his party are talking about would be the same as me saying that I am not going to pay the taxes on my farm, or my hydro bill or buy any clothes this year.

• (1710)

What they are talking about are targets that cannot be made. One of the things laid out in the budget is the fact that we are keeping our targets. In fact, we have set targets that are based on very pessimistic growth. Even the business community said that we were being pessimistic. Our targets are capped.

If the target is too low, by the time we get to 3 per cent of the GDP by 1996–97, which is what we promised in the red book and from our own pessimistic outlook, then if we go by what is happening in the business community and what they have been projecting, we will exceed 3 per cent. Is that not what it is all about, having a government that the voters know is a credible government if it comes forward with a budget, sets targets and achieves those targets?

For the last nine years voters have watched governments making promises in different budgets. Those promises were not kept. We were at the point where they were becoming cynical and saying that this was just another promise which was not credible.

That is not what this government is all about. We are where we are in the polls today because we are credible. We are making promises that we can keep.

Mr. Harper (Simcoe Centre): What about the GST?

Mr. Calder: The GST will be worked out later this year. It is in process right now. The member can laugh. I love the way the member for Simcoe Centre tries to work this around. He stood up and chastised the infrastructure program. In fact, a few months ago he made a statement in the House questioning the minister responsible. However, at the same time, I found some correspondence he had written the mayor of Barrie praising the program. It is cynicism like that which gives politicians a bad name.

Mr. Harper (Simcoe Centre): Tell the whole story, do not just give little quotes.

Mr. Calder: I am ashamed of the member.

The budget has a number of advantages. We have pledged that in 1995–96 the debt will not exceed $32.7 billion. We want that reduced to 3 per cent of the GDP or $24.3 billion for 1996–97. This is something that was laid down in the Maastricht treaty. We recognize that a large percentage of our money is borrowed from the international market and it is our responsibility to make that figure.

That is one of the reasons why the Canadian dollar today is strong, interest rates within the country are stable and why we are the leader in the G–7 nations in exporting. We are an exporting nation. If we are going to keep our standard of living we have to export. Thirty million people within this country without exports just does not cut it. Therefore, we have to be an efficient exporting nation. We have to be ISO 9000 effective. We have to take every advantage. We have to be innovative and creative which is exactly what the budget is.

I hope that the member across the way will see the light and vote for Bill C–76.

The Acting Speaker (Mrs. Maheu): It being 5.15 p.m., pursuant to an order made earlier today, in accordance with the provisions of Standing Order 78(3), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the second reading stage of the bill now before the House.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 201*)

YEAS

Members

Adams
Anawak
Arseneault
Augustine
Bakopanos
Bellemare
Bevilacqua
Bodnar
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Cauchon
Chan
Cohen
Collins
Cowling
Culbert
Dhaliwal
Dromisky
Dupuy
Eggleton
Fewchuk
Flis
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Graham
Harb
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
MacLaren
Malhi
Marchi
Massé
McGuire
McTeague
Mifflin
Alcock
Anderson
Assadourian
Axworthy (Winnipeg South Centre)
Beaumier
Bethel
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Catterall
Chamberlain
Clancy
Collenette
Comuzzi
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Finlay
Fontana
Gagliano
Gallaway
Godfrey
Guarnieri
Hubbard
Irwin
Jordan
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
McCormick
McKinnon
McWhinney
Milliken
Minna
Murray
Nunziata
Pagtakhan
Parrish
Peric
Peterson
Pillitteri
Reed
Richardson
Robillard
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
St. Denis
Stewart (Brant)
Szabo
Terrana
Torsney
Valeri
Volpe
Wappel
Whelan
Young
Mitchell
Nault
O'Reilly
Paradis
Patry
Peters
Pickard (Essex—Kent)
Proud
Regan
Rideout
Rompkey
Serré
Simmons
Speller
Steckle
Stewart (Northumberland)
Telegdi
Thalheimer
Ur
Vanclief
Walker
Wells
Wood
Zed—132

NAYS

Members

Abbott
Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Brien
Bélisle
Caron
Crête
Daviault
de Savoye
Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanrahan
Harper (Simcoe Centre)
Hart
Hermanson
Hoeppner
Johnston
Laurin
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
Mercier
Morrison
Nunez
Penson
Plamondon
Ringma
Schmidt
Silye
Solomon
St-Laurent
Taylor
Tremblay (Rosemont)
Wayne
White (North Vancouver)
Althouse
Benoit
Bernier (Gaspé)
Blaikie
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Canuel
Chrétien (Frontenac)
Dalphond-Guiral
Debien
Deshaies
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Harper (Calgary West)
Harris
Hayes
Hill (Macleod)
Jacob
Lalonde
Lavigne (Beauharnois—Salaberry)
Leroux (Richmond—Wolfe)
Loubier
Marchand
McLaughlin
Mills (Red Deer)
Ménard
Paré
Picard (Drummond)
Pomerleau
Rocheleau
Scott (Skeena)
Solberg
Speaker
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
White (Fraser Valley West)
Williams—88

Private Members' Business

PAIRED MEMBERS

Bachand	Dubé
Gaffney	Harper (Churchill)
Langlois	McLellan (Edmonton Northwest)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the second time and referred to a committee.)

Mrs. Payne: Madam Speaker, I was not in my seat at the time the vote was taken but I would like the record to show that had I been I would have voted with the government.

The Acting Speaker (Mrs. Maheu): It being 5.43 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

LEGAL RECOGNITION OF SAME SEX SPOUSES

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ) moved:

That, in the opinion of the House, the government should take the measures necessary for the legal recognition of same sex spouses.

• (1745)

He said: Madam Speaker, it must be realized that major social changes require some disruption.

I thank you for calling the House to order and I want to stress how important this motion is to me and how I fully appreciate the opportunity we have in this Parliament to raise an issue which, in many countries, is the object of repression.

First of all, I would like to point out that the motion I am tabling today calls on us as members of Parliament to recognize same sex spouses. What this means is that we as members of Parliament recognize and urge the government to take the measures necessary to recognize that same sex individuals, whether two men or two women, can have a satisfactory loving and sexual relationship. On such a basis, nothing could justify legislators condoning discriminatory practices.

First of all, I wish to point out that what is to be debated in the next few minutes and hours is not the concept of family or the issue of adoption but the question of free choice for two same sex individuals who want to enjoy a relationship.

I would like to draw a comparison between feelings of love and religious feelings. I had an old theology professor who used to say about religious belief that a religious person is one who believes that mysteries exist and that we cannot apprehend the world around us in its totality for we are hindered by our conventional senses, while one who sees problems where he or she should see mysteries is not a religious but a superstitious person. I suggest that religious belief is universal and transcends denominational boundaries. Whether Catholic, Protestant, Quaker or what not, we have religious beliefs and values and this is a matter of feeling.

Love is the same kind of feeling. Whether or not this love is between two men or two women, the fact remains that what is experienced in terms of relationship is the same.

I would say that, today, we are picking up where Pierre Elliott Trudeau and John Turner left off and, with a majority vote on this motion in Parliament, we would basically be taking another step forward.

You will recall that it was John Turner and not Pierre Elliott Trudeau who, as Minister of Justice, decriminalized homosexuality through the passage of Bill C–150 in December 1968. Of course, as we recall, this was an omnibus bill which included a number of amendments relating to lotteries and abortion.

But the main thing is that, in 1968, it was recognized in a mature way, in a generous society which is no doubt even more so today, that two consenting adults, or as paragraph 149(a) of the Criminal Code put it, two persons who are both over the age of 21 can engage freely in sexual activity— provided, naturally, that they have reached the legal age, which was 21 in those days—and that they consensually agree to be in a relationship.

I think that, as a society, we are now going a further step in saying that, as a society, we will not tolerate that individuals who knowingly and willingly get into a same sex relationship should suffer economic, social or fiscal discrimination.

That is what this motion is about. I have heard all kinds of remarks and comparisons which, if I may say so, were quite misguided.

• (1750)

Before getting down to the specifics, I want to say that the gay community, to which I belong, is a fine community. Our fellow citizens, as well as the gay community, must realize that a person can be gay and still be a taxpayer, a worker and a happy human being. The best way for society to integrate its various groups and make them feel comfortable is to accept their differences. It will be very interesting to see how, as we prepare for the 21st century, Canada and Quebec will be prepared to accept these differences.

Ultimately, no one can contend, from a psychological or anthropological point of view, that homosexuality is something abnormal. In psychology, the term abnormal refers to something which is unhealthy from a psychological or physiological point of view. A person can be a homosexual or a lesbian and still be a member of the workforce, a happy human being, a conscientious worker, as well as an active member of his or her community. In fact, this is the case of most people I know.

Yet, even though several administrative tribunals, employers and provincial governments—including Ontario—have recognized same sex spouses, the fact is that, in 1995, there is still a great deal of discrimination.

In recognizing same sex spouses, we have to take a look at the scope of the current notion of spouses, which is defined strictly in heterosexist terms.

With the diligent and much appreciated help of the Library researchers, I sought to find out how many acts in Canada contain a definition of "spouse" in heterosexist terms, that is a definition referring to spouses of two different sexes. Madam Speaker, you will surely be surprised to learn that, for all intents and purposes, there are about 60 such acts. You have no idea of all the lines of activity concerned. I have a list here which includes the Bankruptcy Act, the Evidence Act, the Carriage by Air Act and the Excise Tax Act. Therefore, this issue does not just involve social and fringe benefits, as well as pensions. It also concerns all sorts of other rights in a vast array of sectors in our society.

We are not starting from scratch. Some progress has been made and it would be extremely dishonest on my part to claim that nothing has been done since 1968. I think the best example I could give you is the fact that 11 major Canadian cities—Halifax, Montreal, Ottawa, Hamilton, Waterloo, Toronto, Winnipeg, Regina, Calgary, Edmonton and that wonderful city where I am sure you would all love to spend your vacation, Vancouver—have also recognized same sex spouses.

I asked our researchers to join me and the human resources managers in each one of these municipalities in evaluating the fiscal impact on municipalities. Of course we should realize that a municipality is not a central government, and I know that is something we have to consider. It is also a fact that each of these cities signed a contract with a private insurance company for health insurance. They let an insurance company offer coverage. It is also a fact, and I think one could not expect it to be otherwise, that when these cities and municipalities recognized same sex spouses, there were no additional costs because after all, would anyone rise in this House and claim that two 30–year old lesbians have more dental appointments that a heterosexual couple? That two gays in their forties need hospital care more often than their heterosexual counterparts?

• (1755)

So it is clear that recognition of same sex spouses is not a money issue, at least based on what one could reasonably expect to be the case in these municipalities, since the homosexual community, the members of that community do not differ physically from heterosexuals. I know some people said that there might be neurological or glandular or hormonal differences, but upon closer analysis, these theories did not hold water.

I hope that this debate, which is an extremely important one, will reflect what this 35th Parliament is prepared to do to enhance the equality of all Canadians and Quebecers. Once again, this is not supposed to be a debate on adoption and redefining the family, matters that Parliament would have no mandate to discuss in any case.

As a person who is a committed and militant gay, I have no hesitation in saying that two men or two women do not constitute a family. For a family, you need children. I am not saying that two men or two women would be unable to provide an environment comparable to what a heterosexual couple could offer, but that is not the point of this debate.

So this is an appeal for generosity and openness, since for the legislator, there can be no grounds for discrimination. Since homosexual couples are made up of taxpayers—a number of them are taxpayers—, they are part of the labour market and are involved in the community, there is no objective reason for allowing the discrimination to rage on.

Before concluding, I would like to provide a number of examples to illustrate how insidious it can be. Even though I am an idealist, opposed to pragmatists, discrimination is tangible and a day to day experience in the lives of the people in this community.

I have chosen this example, which concerns a number of areas of activity: unemployment insurance. Unemployment insurance is no charity. As you know, after the Conservatives opted out, unfortunately, with the Liberals following suit, unemployment insurance was no longer an assistance plan. It became an insurance plan, with workers paying for unemployment insurance, along with employers, of course.

I will give you an example. A claimant can, in certain instances, voluntarily leave his job if his or her spouse is transferred to another city. It is clear that a gay or lesbian couple appearing before an unemployment insurance officer because one partner must move to another city for job–related reasons will not enjoy the same benefits a heterosexual couple might.

Obviously, discrimination is a major concern. Such an issue concerning the Income Tax Act was of real concern to the community. In the past 10 to 15 years, social laws have tended to acknowledge common law spouses. Under most Canadian laws, you must meet the following two conditions to have your relationship recognized and to acquire the same rights as a

married couple. You must share accommodation with the same person for at least one year and you must identify yourselves publicly as a couple.

Regarding income tax, and the hon. member for Saint-Hyacinthe—Bagot follows all developments in this area very closely, as he is the finance critic, since 1987, the definition of the term "spouse" in the Income Tax Act has been the following: a person of the opposite sex living in a situation similar to that of marital union. What rights would same sex couples acquire, what would be the significance of recognizing them from an income tax point of view? It would give them the right to claim credits for dependents.

• (1800)

They would also gain access to spousal RRSPs, and we all know how important RRSPs are for preparing, obviously, for retirement and old age, since governments are withdrawing from this area. I would like to take this opportunity to say first off that the gay community is a beautiful community, within which it is not unusual to see couples who have been together for 20, 25 or 30 years. I know that many people tend to think that same sex relationships, gay relationships, are short-lived, futile, superficial, but I personally can vouch for the fact, as can others, that it is not unusual to see same sex relationships last 20, 25 or 30 years.

We can safely say that the same is not always true of the heterosexual community. Of course, there are also couples that last 20, 25 or 30 years, but one must also acknowledge, in all fairness, that the same exists in the gay community. Therefore, if I may use a specific example, recognizing same sex spouses for income tax purposes would also mean they could use RRSP limits to their mutual advantage, claim a parent of their spouse as a dependent, transfer to the other spouse some unused tax credits for pension purposes, tuition fees or disability credits.

We could also talk about the Canada Pension Plan. Since 1986, it has recognized a spouse of the opposite sex that has been living with the contributor for one year or more. It means that, in the case of heterosexual couples in Canada, when one spouse has contributed to the Canada Pension Plan, at the time of death, undoubtedly a tragic event, the other is entitled to part of the pension. This is also a form of discrimination against homosexual and gay couples.

Another very obvious example is a case concerning the Old Age Security Act that is now before the Supreme Court, which is expected to hand down its decision in May, and it will be interesting to see what this decision will be. You know that, under this act, when two people live together and their total income is under a certain level, one of them can receive a guaranteed income supplement. Unfortunately, two homosexuals or two lesbians who have been living together for 10, 15 or 20 years in some cases, cannot get the guaranteed income supplement when their income is under that threshold.

We could also talk about pensions in the Canadian public service. The issue, as far as public service pensions are concerned, is that, when a heterosexual partner dies, the surviving partner is entitled to a portion of the pension. There are very concrete, commonplace examples to show clearly that same sex partners living as a couple, who freely got into this relationship, honourable citizens who are participants in the the workforce and, in most cases, want to contribute to society, are discriminated against.

This is a test for Parliament. We could choose to act as if this reality did not exist, but it does. I think that we must be driven by a feeling of generosity which should lead us ultimately to accept our differences. This motion provides us with an opportunity to discuss one difference which has been of concern to all societies. Allow me, in closing, to be optimistic about its chances of being adopted.

[*English*]

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Madam Speaker, the hon. member moved that the government should take the measures necessary for the legal recognition of same sex spouses.

By legal recognition of same sex spouses I am unclear as to whether the hon. member means same sex partners should be able to register, as I understand they can in Denmark, or that benefits currently given to married and common law spouses should be extended to same sex partners.

• (1805)

Neither option is viable, given the current state of the law. Perhaps it would be a better motion had it been made in a provincial legislature rather than in the House of Commons.

The federal government has very limited jurisdiction in this area of the legal recognition of personal relationships. The Constitution divides jurisdiction in the area of family law between the provincial legislatures and the federal Parliament. The jurisdiction for marriage is divided with the provinces being responsible for the solemnization of marriage, including licensing requirements, and the federal government being responsible for the legal capacity to marry. However, as the definition of marriage clearly makes it an opposite sex concept, this constitutional power is irrelevant for the current discussion.

The Constitution also gives Parliament the power over divorce, although the province retains the power to administer the application of the Divorce Act, including division of property and support obligations. However, as marriage is irrelevant here, I am assuming the divorce power is as well, as divorce cannot apply without marriage, although I understand that

Denmark requires same sex couples who have registered to go through the divorce legislation to deregister.

Perhaps the only relevant example I can think of is the treatment of common law spouses under provincial family law. This is a personal relationship widely recognized by law, even though it is not specifically mentioned by the Constitution, unlike marriage.

Until fairly recently historically common law spouses were not recognized by our law. The term is a misnomer in any event, as common law spouses do not actually exist in the common law or judge made law. They actually are created by statute law, not by one statute but by a very large number of statutes at both the federal and provincial levels.

In other words, unless a particular statute specifically provides that a reference to spouse will include common law relationships, they are not included for the purpose of the benefit in issue. The major statute law that recognizes common law spouses is the provincial family law statutes.

These statutes create the major legal obligations imposed on common law spouses should the relationship break down. They deal with division of property, support obligations between the former spouses and for any children. Even here the provincial law is not consistent across the country. Common law spouses are subject to different legal obligations under different provincial family law statutes across the provinces. They are not even recognized in two provinces including Quebec, the province of residence of the hon. member proposing this measure.

Common law marriage is a different concept from that of common law spouses. Common law marriage existed only in the early settlement days of Canada where a minister or a priest was often difficult to find. Although there is some speculation that the concept may still exist in the common law in Canada it would only apply in an opposite sex context.

Therefore, if provincial family law is the main source of legal obligations between spouses, it would seem more appropriate that any legal recognition of same sex partners would come first under provincial family law. As I understand it, this was primarily the way which common law relationships first gained legal recognition.

As a result of several high profile cases before the Supreme Court of Canada the courts recognized through the doctrines of unjust enrichment and constructive trust the contribution of a woman who had lived for a long period of time with a man as married, even though they had not married.

Legislative changes followed shortly thereafter, starting primarily with provincial family law and then slowly moving into the benefits field.

• (1810)

This legal recognition is recent in Canadian law. The changes to the Income Tax Act to recognize common law spouses have come about in the last year or two after the majority of provincial family law statutes recognized the status. The question of whether common law spouses must be treated in the same way as married spouses in some or all circumstances is still before the Supreme Court of Canada. The Miron case was argued last fall and a decision is pending.

The only references in federal law to personal relationships either follow blood or marriage relationships, which are relatively easy to prove, or copy provincial family law definitions of common law relationships. At the federal level spouses are mostly included in legislation for the purposes of employment benefits, the government pension plans and income tax.

The concern is that if we were to extend these benefits to same sex partners at the federal level first before provincial family law extends any legal obligations it could create a situation of unfairness. Spouses, both married and common law, are currently subject to a package of legal rights and responsibilities created by a combination of federal and provincial laws.

It is because spouses are subject to legal obligations such as support obligations upon the breakdown of the relationship that they are also eligible for benefits such as survivor benefits under pension plans. It is for the provinces to extend first the obligations before we should extend benefits under federal jurisdiction.

How would we accomplish what the hon. member is asking? How would we take the measures necessary for the legal recognition of same sex spouses, even were we to agree this should be done? It is clear from the history of the recognition of common law relationships that this was not accomplished by passing a statute called the common law spouses act. Nor was this legal recognition even accomplished by the government at any level.

The fact of social change was first acknowledged by the courts in looking at unfairness and unjust enrichment between two partners who had not married. The courts felt strongly that individuals who were living together as if married and so were getting all of the advantages of being married, such as working together to afford a better lifestyle than either would have been able to live alone, should not be able to avoid taking on the obligations of married persons simply by choosing not to marry. Particularly in a situation such as that represented in the first few high profile cases, the common life wife needed the protection of the law.

However, this is a controversial enough subject with regard to opposite sex common law couples. Many common law couples continue to disagree and feel frustrated the law deems their relationship to be akin to marriage after a certain time has

passed. Many still feel their choice not to marry should be respected by the law.

How much more of a problem will this be with same sex couples who may not be public about their relationships? Conversely, is it fair to recognize only those same sex couples who do wish to be open about their relationships? For a number of reasons this motion is premature and not feasible for the federal government to adopt without the full co–operation of the provincial legislatures.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, I rise today to speak to Motion No. 264, a private member's motion forwarded by the member by Hochelaga—Maisonneuve.

The motion states:

> That, in the opinion of this House, the government should take the measures necessary for the legal recognition of same sex spouses.

As chair of the Reform Party's family task force I will speak definitely in opposition to this motion for the reasons I will outline.

First let me comment on the make–up of the Canadian family. In its 1994 report on families in Canada, Statistics Canada reported that in 1991 the traditional model of the Canadian family, a husband and wife, made up 87 per cent of all families.

Members may wish to note that in 1941, 88 per cent of families consisted of a traditional husband and wife family. Therefore, it would seem there has been relatively no change in the make–up of the traditional Canadian family unit, in spite of the tremendous economic, fiscal, social, and cultural pressures it has faced over the last 50 years. This is a testimony to the resilience of the family as a social institution.

• (1815)

In recent years there have been numerous efforts and suggestions to change what is commonly understood as the traditional family unit. The assumptions about the traditional family unit are being challenged by courts, interest groups, non–governmental organizations, and government agencies.

Often the judicial system has been used by interest groups and individuals to pursue issues that do not have broad based support with Canadians, and this is such a case in point. Presently the Supreme Court is considering a case, Egan and Nesbit v. The Queen, which would redefine the term spouse and therefore the related concepts of family and marriage. Another case is in Ontario, Leshner v. Ontario, where the court actually ordered the Ontario government to give same sex couples pension benefits, even though the federal Income Tax Act does not permit registered pension plans to provide for same sex spouses.

Another example of this trend outside of law is the Canadian Human Rights Commission. In its recent annual report, as it has recommended every year since 1979, it has proposed the inclusion of sexual orientation in the Canadian Human Rights Act as a prohibited ground of discrimination. If enacted this would provide a legal basis for challenges to redefine spouse, marriage, and family.

The Minister of Justice, ignoring what I feel is the voice of real Canadians, has listened to these other voices and has committed himself to this goal.

I could go on to mention the ultra–feminist and lesbian representation sent as the Canadian delegation to the preparatory conference for the upcoming Beijing conference and their proposal supporting the removal of alleged barriers due to sexual orientation.

In contrast to this, the Reform Party has long recognized the importance of family to the stability and prosperity of our society. Principle six of our party states: "We affirm the value and dignity of the individual person and the importance of strengthening and protecting the family unit as essential to the well–being of individuals and society".

To date the Reform Party is the only political party to have defined family. Our family task force, which I chair, has researched and developed a policy on the definition of family. We define family in the following way: "Those individuals related by the ties of blood, marriage, or adoption. Marriage is a union between a man and a woman as recognized by the state".

This is the traditional family unit, which is the fundamental building block of our society. I believe it is the best social institution for the cultivation and protection of values and culture in our society, for the raising of our children and the nurturing and provision of the care of all family members.

This having been said, the Reform Party reaffirms the traditional definition of the family and opposes any efforts to redefine it.

These efforts and challenges have been made in spite of the well entrenched views of grassroots Canadians. In June 1994 a *Maclean's*–CTV–Angus Reid poll found that 68 per cent of Canadians believed that the best type of family in which to raise children has two heterosexual parents.

Over 600 petitions have been tabled in this House, with over 70,000 signatures from grassroots Canadians stating their opposition to the extension of benefits to same sex couples and the inclusion of sexual orientation in the Canadian Human Rights Act.

Contrary to the expressed will of so many Canadians, this motion is another example of the efforts under way to redefine

the Canadian family. The motion calls upon the House of Commons and the federal government to take measures necessary for the legal recognition of same sex spouses.

What is legal recognition? It is undefined in the motion. What would it mean and what issues would it raise? Would legal recognition automatically result in benefits to same sex partners? Would legal recognition mean that same sex partners could be married? Would it mean that homosexual couples could adopt children? What and how many federal and provincial statutes would have to be amended?

The legal recognition of same sex spouses would ultimately entail the revision of many federal and provincial statutes, particularly those that relate to the tax law that defines spouse, marriage, and family. Our research has indicated that up to 40 federal statutes would have to be amended if this recognition were to occur.

• (1820)

Provincially, in Ontario the word spouse is contained in over 80 provincial laws and statutes. Presently, marriage between individuals of the same sex is not permitted in Canada.

Adoption of children, although a provincial matter, is a question our society will have to deal with. Last year, Bill 167 in Ontario, which would have allowed for adoption by same sex couples, was defeated, largely in response to a huge public outcry. In June 1994, a *Maclean's*–CTV–Angus Reid poll found that 67 per cent of Canadians oppose giving homosexual couples the same legal status as mothers and fathers.

There is another question. Would this motion strengthen arguments in favour of the inclusion of sexual orientation in the Canadian Human Rights Act? Clearly it would.

Again, a majority of grassroots Canadians do not support the proposed amendment to the act by the justice minister. The minister's proposed amendment is in so much trouble that he has publicly asked the homosexual community to support his efforts "to keep a prod on the government to move forward on these matters", in spite of opposition from Canadians, opposition in this House, and opposition in his own caucus.

I would like to conclude. This motion, if passed, like all other approved private members' motions, would express an opinion of this House. This motion is a votable motion and thus would be a clear and distinct expression of the opinion of this House. The expression of this opinion would send a moral signal and provide a moral direction for our society on this particular issue, which flies in the face of the expressed will of Canadians.

This House faces a choice. Which path will we choose for the future of our society, our families and our children? I say that this House should choose a path that has guided this country and many others and has provided stability to our society.

Therefore, I oppose this motion and call upon my colleagues on all sides of the House to vote in favour rather of the traditional Canadian family and against this motion.

[*Translation*]

Mr. Dan McTeague (Ontario, Lib.): Madam Speaker, I am pleased today to make a few comments on the motion put forward by my colleague, the hon. member for Hochelaga—Maisonneuve, who is committed to a very big issue: the legal recognition of same sex spouses.

[*English*]

This issue certainly has a number of moral and historical implications. This is not the first time this House has treated this issue. Yet it is an issue that from time to time will come back. I am sure the pending Bill C–41 and other bills being proposed by the Minister of Justice—or suggested in terms of changes to the Canadian Human Rights Act—will certainly have an impact on the future of this particular issue.

We also know the Canadian Human Rights Commissioner has been a strong advocate and has on many occasions shown to the government and Parliament that it must act in this area.

My interest today is to talk about the real implications of the hon. member's motion. We know that in Canada there is a very strong sense of the traditional family, with opposite sexes. Family status in law involves a couple comprised of a husband and a wife, and possibly children. Lately that definition has changed to also include non–married families or common law couples.

My concern with this particular motion is its implications in Canada. One of the most critical things that has not been touched by my honourable colleague and other members in this House is the direct cost impact that such an undertaking would have in terms of the federal treasury. These are very difficult times, and we are asking the taxpayers to fund the benefits accruing from the same sex relationships.

Probably a more important side to this is how one defines the question of same sex benefits or spousal benefits. We are not necessarily talking about people of similar sex. We are really talking about the possibility—as is the case in many ridings, including I am sure the riding of the hon. member—that a grandfather and a grandson who are of the same sex and live in the same household would be effectively left out because we have not really defined what we mean by same sex benefits. Presumably, I know the intention. It is very clear what the hon. member is seeking. However, it does not include the important case of people who are not together for sexual reasons.

• (1825)

As we know, the federal court has already dealt with the issue of same sex benefits. In 1991 it ruled that the federal approach has not been established and has not demonstrated discrimination per se. That ruling was again upheld in 1993 by a two to one vote. It was found at the time that the law does not discriminate against gay men or lesbians because there are many other couples who live together who are ineligible for the same benefits.

My concern is that we have to be very careful about what this legislation really means. As a member of Parliament from Ontario, I am only too familiar with what happens when a government, through a motion presented by a member of Parliament, or Parliament considers a motion that has not been thoroughly discussed or debated by the vast majority of Canadians.

We are asking Canadians to undertake a major financial hit here. It is incumbent upon this Parliament to also examine the cost attached to such an initiative.

This no doubt raises a number of moral and political implications for all members of Parliament. The traditional role of a member of Parliament is to be advised, to consult and to hear from constituents, and not act as a court in a situation.

We know this issue is before the Supreme Court of Canada under the Egan and Nesbit case, the same individuals who had appeared before the federal court. Many of us are familiar with the proceedings, and some of us might cynically suggest that the crown in this case put forth a rather weak argument in defence of the status quo. I find that very interesting. However, I am speaking with liberty in the House of Commons on that issue.

I think we want to make sure that we do not confuse legal rights to protect against discrimination. We do not want to be seen as invalidating equal rights. We want to be seen as not promoting a certain lifestyle that is conducted in a way whereby people have to spend more money to approve of somebody's activity.

The comments made by the hon. member when he alluded to John Turner in 1969 and to the Rt. Hon. Pierre Trudeau in reference to the state not having any business in the bedrooms of the nation is one issue. We as Liberals recognize that what people do in their own private affairs is fine, but there is a difference between tolerance and equality and promoting that on the streets. I think there is a quantum leap in terms of the philosophy of government.

Of course this is not the first time Parliament has been seized of this issue. It is a very complicated issue, and if as members of Parliament we are going to debate the various relative impacts of what my honourable colleague is suggesting, we must first and foremost ensure that Canadian people are adequately and thoroughly canvassed on the issue. We cannot have legislation, motions, or private members' bills introduced by stealth. This is a very important matter of fundamental public policy.

As my honourable colleague for Hochelaga—Maisonneuve has suggested, this is a matter that has gone on for a considerable amount of time. It is a matter that Parliament has not addressed up until this time. Perhaps one reason it has not addressed the issue in the past is because it did not consult with the very people it is supposed to represent.

My concern also is with the whole notion of whether or not, as a society, we are effectively capable of defining what a spouse is. The spouse issue is very important, because of course it relates to the possibility of different interpretations. We do not know exactly what the term spouse is really trying to achieve in this bill.

My view of a spouse is very simple. A spouse happens to be a male and female who happen to come together for whatever reasons, as the hon. member suggested, for amorous reasons, and whose fruit, the product of that love, may ultimately produce a family.

We should not be playing with words here. We should try to find some kind of definition or interpretation that really relates to common usage and what the common person on the street would accept as the term spouse.

• (1830)

If two people who happen to be homosexual wish to live together, that is fine. I do not think anyone in this House objects to that. It really is up to them. The concern we have is where the society or state moves from saying that is great and fine, they are free to do what they want, section 15 of the charter of rights and freedoms covers them sufficiently, to saying that now we should in some way promote, benefit or provide some kind of support for that activity.

Many members from the homosexual community will make the argument that it is a question of cost, that they are paying for someone else's benefits. I am wondering if those who have spoken on this matter as homosexuals have consulted and canvassed their own constituency which would suggest that some of their members are not prepared to accept the benefits. Some people would be uncomfortable with accepting those benefits.

We have a situation that is not addressed well in this motion, although it is understandable. Benjamin Disraeli put it very well that when estimating the accuracy of a political opinion one should first of all take into account the standing of the opinionist. My hon. colleague has very good standing not only in this House but also in the community on the issue which the member is advocating.

We must also make sure that Canadians as a whole are involved in this and that the traditional family or the term family is not itself compromised.

I am the member of Parliament for one of the most populous ridings in this country. I have seen an Ontario colleague at the provincial level debate this issue without popular consent. It seems to me we may be trying to do in this House or through weak arguments before the Supreme Court of Canada that which we cannot do enough to convince the Canadian people that this is an issue that is well worthwhile.

Everyone is equal before and under the law and has equal treatment and equal protection and derives benefits from that protection. I do not believe this House should be in a position of making a moral decision as to what is right and what is wrong. I do however believe that when it comes to the term family there is very little room for compromise.

We must look at the cost. We must look at the implications. We must make sure that above all we are making legislation which reflects accurately the opinion, judgment and sentiments of those people we represent.

While I compliment the member of Parliament for his courage in bringing this forward, I will not support this motion.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I rise today to speak to the motion put forward in the House by my colleague, the hon. member for Hochelaga—Maisonneuve, seeking the legal recognition of same sex spouses.

I want first of all to stress that this motion does not seek at all, as some would believe or might want to make us believe, to promote same sex relationships as the ideal way of life that every Canadian man and woman should adopt. This motion only seeks to recognize something that already exists in our society. Quite obviously, there are homosexuals in our society.

Homosexuals lead the same kind of life we do. Just like other Canadians, they have a job and sometimes live with a spouse. Just like other workers, they get fringe benefits to which their spouse could be entitled.

This motion recommends that homosexuals get the same rights as heterosexuals. I think it is about time Canada moved with the times and stopped discriminating against homosexuals.

Both at the provincial level and in collective agreements of federal public servants, precedents are building up to the effect that fringe benefits should be granted to same sex spouses. All existing federal statutes that are discriminatory in nature will eventually be challenged in court with a very good chance of success. Over the past few years, an increasing number of organizations, private companies and government administrations have come to offer the same benefits to same sex couples and opposite sex couples, in order to respect the principles of equity and non–discrimination.

This acknowledgement should not be seen as a threat. What we give to others will not lessen our entitlements. And this will not prevent anyone from choosing a more conventional, traditional lifestyle or from being heterosexual.

• (1835)

Furthermore, I must say that same sex couples should be entitled to benefits. It is not a privilege but a right, a right for which they have already paid. In the current state of things, employees who have contributed for years to health, sickness and life insurance plans or to pension plans cannot transfer their entitlements to their same sex spouses.

This could lead to situations where, for example, a homosexual employee living with the same person for 20 years could not share his benefits with this person, whereas one of his coworkers, a heterosexual, could share his benefits with someone he had been with only since the day before.

I repeat, this is not a matter of granting special rights but of not discriminating on the basis of sexual orientation. People who are more or less well intentioned will want to hide their intolerance behind financial objections. These people will claim that measures providing the same benefits for same sex partners will cost too much, just as they did when it involved obtaining the same benefits for working women.

I want to talk about the low cost of these measures. Several private businesses, organizations and governments asked actuary firms to estimate the cost of measures they intended to take respecting same sex couples.

For example, at *The Globe and Mail*, out of 700 employees, only a dozen took advantage of the program, while at the Toronto Hospital for Sick Children, less than 1 per cent of the employees took advantage of the program and at Northern Telecom, which has more than 20 000 employees in Canada, the company said: "We do not expect this to represent a lot of money". William Mercer, an actuary firm, said: "The changes requested will probably represent less than 0.5 per cent of the total payroll of the company".

Another interesting example is that of the City of Montreal, which, since 1989, has treated all its employees on the same basis, whatever their sexual orientation or the sex of their spouse. Only 10 of the 8,000 City of Montreal employees have registered spouses of the same sex. Because of the actuarial nature of its benefit plans, the City of Montreal would incur no immediately identifiable costs by introducing this policy.

Given the small percentage of homosexual people in Canadian society, the smaller percentage of gay people living in a common–law relationship and the even smaller percentage of

gay people living in a common law relationship who would claim spousal benefits, the experts surveyed agree that costs would only go up by 0.5 to 1.5 per cent, depending on the various benefits being considered.

According to two recent surveys conducted by SOM in Quebec and Angus–Reid across Canada, 73 per cent of Quebecers feel that homosexual couples should be entitled to the same benefits as those enjoyed by heterosexual couples. In Canada, the percentage is lower but still represents a majority. Indeed, 54 per cent of Canadians feel that, except for the right to adopt children, same sex couples should enjoy the same rights as heterosexual couples.

According to another poll, 70 per cent of Canadians would support legislation prohibiting any form of discrimination based on sexual orientation. These figures confirm that Canadians are increasingly aware that we should all enjoy the same rights. I do hope that this House will not be more conservative than the population which it serves.

I will conclude by pointing out that, on March 18, 1994, the Minister of Justice provided the following answer to my colleague and friend, the hon. member for Hochelaga—Maisonneuve: "Mr. Speaker, in its campaign for office, in its throne speech and in statements made subsequently in the House, the government has committed itself to amendments to the Human Rights Act which will add sexual orientation as a ground on which discrimination is prohibited. We intend to follow through on that commitment".

• (1840)

I ask only one thing, that the Minister of Justice make good on his promise to end discrimination against homosexuals and start by supporting, with me, the motion tabled by the hon. member for Hochelaga—Maisonneuve.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is a pleasure to enter into the debate on the motion that the government should take the necessary measures for the legal recognition of same sex spouses.

It is the role of Parliament to give leadership in providing the rules and laws that reflect the needs, wishes and aspirations of Canadians. In a democracy it is important for us to represent the views of the majority. If we did that carefully we would most likely end up with the best proportion of good laws for the benefit of all the people in this magnificent country.

I was elected to represent the will of the people who elected me in Elk Island. One could perhaps argue there is such a thing as the tyranny of the majority. However, in a well educated, well informed society such as ours if there is a really good idea, one that bears recognition, there should be absolutely no difficulty in gaining the majority consent for that.

I think of many different examples. We have rules of taxation. There was a big hue and cry when the GST was introduced and the majority of Canadians objected to it.

The Liberal Party ran on the platform of eliminating the GST because subsequently it found the majority of the people were against this and it was not a good tax. We are still waiting for that to happen.

In the context of this bill I find an overwhelming degree of support for the maintenance and development of the traditional family. I share what probably most MPs share in the receipt of letters and petitions given to us that by far the majority, an overwhelming number, indicate they would prefer not to recognize same sex relationships. They do not want to include homosexuality as part of the fabric of our society.

This could be viewed as the tyranny of the majority but we should look at it as a very clear and strong understanding of what is best. I say this with all due regard to those who think the other way.

With all due regard to my hon. colleague moving the motion today, I understand what he is saying but I want to very clearly communicate that we do not in any way wish him or other people who have the sexual orientation which he has admitted to any ill. We really do not.

We need to ask seriously the question whether this is best.

• (1845)

The Acting Speaker (Mrs. Maheu): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

PUBLIC SERVICE OF CANADA

Ms. Marlene Catterall (Ottawa West, Lib.): Madam Speaker, four minutes is not long to follow up on my question of December 2 to the Minister responsible for Public Service Renewal. Therefore I will only touch on a few highlights. In these few minutes I hope to provide some inspiration for the minister to get on with the business of renewal of the public service.

We have been known for a long time as having one of the best public service organizations in the world, to the extent that people who work in or have worked in the public service are in demand in countries around the world to show other governments how to set up democratic institutions and how to set up efficient and effective public sector organizations.

Our ability to do as the minister said shortly after he was appointed to restore good relations between politicians and public servants has been severely strained. Because of the economic climate we have found ourselves in, we have extended the wage freeze and deepened it by including increments. We have introduced a budget which stated that we were to reduce the size of the federal public sector by over 45,000 jobs.

It is a little difficult in that climate to talk about renewal. Renewal suggests improvement, restored hope and a better future. There are not too many public servants who feel that way right now.

When the minister spoke a year ago this month to the professional executives of the Public Service of Canada he said that our success would be judged not only by what we do but also by how we do it.

I refer to a couple of other comments the minister made in the speech a year ago when he spoke about what was required for public service renewal and give him some of my thoughts on how important it is to move ahead with that initiative.

This is the largest organization in the country. If we cannot go through a period of transition and come out the other side with an organization that has a clear understanding of its mission and a clear commitment to service to Canadians, I do not know what other organization or business in the country can do it.

Let me talk about some of the elements the minister spoke about. He talked about the importance of the people side, the importance of giving more prominence to human resource management issues and to training. Yet we have not seen the kinds of initiatives, the overall sense of a new vision and the leadership required to make people feel that their organization is moving into a better and clearer state where it has a clear sense of mission and of serving the country again.

The minister talked about perhaps separating the policy function from the service function and at the same time improving services to Canadians. I frankly urge him not to do that. If the frontline service becomes disconnected from policy, we no longer have the feedback to ensure that we have the kinds of policies and programs that provide good services to Canadians.

The minister talked about organization. I encourage him not to think in terms of structures but to think of organic working relationships that can change easily. The organization has had far too much reorganization.

Above all, I urge the minister to get through this period of what I called a demolition derby in my question and get on with the business of public renewal. He should get the leadership going at the administrative and political levels so that people can again feel they have a mission of serving their country, serving their fellow citizens and doing the best darned job they can, not because excellence is a jargon word but because that is what they want to do.

Mr. John English (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Madam Speaker, the hon. member for Ottawa West has long been recognized as one of the most creative and inspired thinkers in the area of public service renewal. That spirit animated the question we have heard tonight.

I should like to respond to some of the comments made by the hon. member for Ottawa West. It is true we are downsizing the public service, but the government has given a pledge that during the downsizing it will keep involuntary layoffs to an absolute minimum. I assure the hon. member that the government will keep that pledge.

Let me reiterate the government's commitment to deal with employees in the fairest and most sensitive way possible, as has been suggested by the hon. member for Ottawa West. It is particularly important to express our determination to continue to work with the unions and with local governments to ease the transition.

Finally let me say that we hope to keep layoffs and the number of employees on unpaid surplus status to an absolute minimum. Some individuals will be accommodated through normal attrition. Others may take advantage of the early departure and early retirement incentives announced by the President of the Treasury Board. The hon. member is aware of the $2.25 million program for displaced public servants in the national capital region who are seeking employment.

The government will continue its program review because it believes that with all other problems still to be solved it is the only way to allocate resources properly. However I strongly reiterate that the government also believes, as does the hon. member, in public service renewal.

With the new government policies we hope for a role for the public service that is much more satisfying, much more fulfilling and much more challenging than it ever has been.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.51 p.m.)

HOUSE OF COMMONS

Thursday, April 27, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 16 petitions.

[*English*]

On Statements by Ministers today the President of the Treasury Board will make a brief statement. I understand that representatives of both the New Democratic Party and the Progressive Conservative Party will make statements in the usual course on this by unanimous consent. There will be a total of five statements.

* * *

HOLOCAUST MEMORIAL DAY

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, 50 years have passed since the liberation of many of the camps that symbolized Hitler's final solution.

Canadians began marking the 50th anniversary of the liberation of Europe on June 4, 1994 when we remembered the sacrifices of thousands of our countrymen on the beaches of Normandy. Today we commemorate Holocaust Memorial Day.

While we mark the end of a tragic time in human history, we must recognize we have all come a long way.

[*Translation*]

The Nazi holocaust victimized all of humanity. It showed how blind nationalism, racism and bigotry can be.

[*English*]

The Nazi Holocaust victimized all of humanity. It showed how blind nationalism, racism and bigotry, a violation of the very basic democratic principles on which our society is based, can lead to incomprehensible suffering and violence.

The names of the death camps liberated half a century ago ring out as sacred prayers: Dachau, Buchenwald, Treblinka, Bergen Belsen, Auschwitz–Birkenau. These places have become holy ground. We must remember them because they symbolize what humanity is capable of and remind us of our obligation not only to millions of men, women and children who fell victim to tyranny but to future generations around the world.

Canada remembers the suffering of Europe. We remember the deaths of six million Jews and the victimization of millions of other innocent people persecuted because of their religion, ethnic origin, sexual orientation or political views.

Canada remembers the selfless sacrifice of thousands of our soldiers who offered their lives for freedom, democracy and for a better future for us today. We honour all of their memories by ensuring we remember why they died. We honour their sacrifice by working for the equality of humanity and being true to our values of respect and understanding.

Canada remembers.

Some hon. members: Hear, hear.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, the official opposition joins the government in giving its unanimous support to the motion tabled by the Secretary of State for Veterans. Fifty years have passed since the end of World War II, a war the likes of which this small planet had never seen before. We had to recognize that neither modern institutions nor the new technologies had helped us achieve peace on this earth.

Toward the end of that great war, the whole world was horrified to discover the existence of concentration camps, an inhumane, cruel and barbaric practice. No words exist to describe this atrocity and express our revulsion towards such a monstrous scheme. There is no excuse whatsoever for concentration camps.

• (1010)

Millions of men, women and children perished under the yoke of tyranny. They could only hope that other countries would rise up and fight in the name of liberty and justice. That is the effort

in which Canada took part. We and our descendants will never forget the valour and courage of those soldiers. It is our duty to ensure that these defenders of freedom will always be present in our collective memory.

The collapse of the Third Reich revealed to the world the largest extermination effort in history. Millions died in the concentration camps set up by the Nazis in occupied Europe, in their electrified barbed wire enclosures, blockhouses, underground factories, experimental rooms, gas chambers and herding areas. Thousands of convoys led victims on the road to hell.

This planned destruction effort was carried out relentlessly until just before surrender. Those convoys let to the internment and slaughter of innocents. Arrival in camp often meant death pure and simple or an even worse fate: forced labour contributing to death. It was a tragedy to witness the torture and slow agony of one's neighbour or be subjected to the same treatment. Malnutrition and illness led to a point of no return, to an exit from life. It is our duty to take a moment to imagine what concentration camps were like, to better understand how crucial it is that we remain steadfast in our firm commitment never to tolerate crimes against humanity.

Fifty years ago today, trucks of the International Red Cross drove into certain concentration camps, marking the end of this hell on earth. Torturers fled. Today, 50 years later, it is our duty to look at this tragedy as if it had happened just yesterday to our relatives, children and parents, so that we never fall victim of such madness. However—sadly for humanity—genocides and organized exterminations continue. Last year, more than one million Rwandans perished in a carefully planned genocide and, to this day, those responsible for this crime go unpunished.

More recently, the slaughter of thousands of Hutu refugees by the Rwandan Army at the Kibeho camp amounted to carnage. The international community witnessed acts of unspeakable cruelty in Bosnia, where ethnic cleansing was systematically carried out. Such events make us wonder whether humanity has learned anything from the lesson we were taught by history.

We must ensure that this kind of massacres among inhabitants of this planet stop. We must remain hopeful that, one day, we will all live in peace, free from these inhuman acts. To commemorate the liberation of Nazi concentration camps is, of course, to pay our respects to the victims, but also pay tribute to all the men and women of this country who made that liberation possible, our veterans, who deserve more than our admiration. We owe them support, particularly when they paid with their health. I hope that this government will take this opportunity to ponder over the way veterans are treated. We cannot renege on our promise to them.

Nor can we afford to relax our vigilance, lest atrocities like those committed in Nazi concentration camps be committed again. Such is the implacable lesson taught by history, a lesson that we must in turn teach our children, so that we never forget. The Bloc Quebecois, for its part, undertakes to do all it can to ensure that this knowledge remains in our collective memory. Together, let us keep this hope alive.

[*English*]

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, it is a great honour to address the House on behalf of the people of Okanagan—Similkameen—Merritt and my colleagues in the Reform Party to solemnly commemorate the 50th anniversary of the liberation of the Nazi death camps.

We remember the men, the women and the innocent children who perished at the hands of the Nazi tyranny and we honour the many Canadians who fought for freedom and justice at a time of darkness.

• (1015)

We recall the generation of men, women, and children that had to endure the horrors of Nazi tyranny from the 1930s to 1945. For someone born after the war, the reality of this dark period in the history of humanity seems hard to comprehend.

We see the pictures of the Warsaw ghetto, the trainloads of innocent men, women and children being sent to the concentration camps, the deadly gas chambers and the horrific mass graves. As I recall these offences of the past I try to imagine how man could commit these crimes against humanity.

I really began to grasp the magnitude of this tragedy when I saw the numbers of people who died in this horrible conflict. The death toll rivals the size of Canada in 1945. Though we do not have all the names of those who perished, the world must remember Yom Hashoah, Holocaust Memorial Day.

I would like to reiterate the pledge yesterday by the leader of the Reform Party. He spoke for all of us when he stated: "I solemnly vow that we shall honour the memory of those who perished in the Holocaust by remaining vigilant against those who would divide us by promoting hatred and discrimination".

Those who deny this event must be condemned. Besides solemnly commemorating Yom Hashoah and the liberation of the Nazi concentration camps, I would like to honour the tens of thousands of Canadian men and women who fought for freedom and justice. Too many left Canada to never return. In each battle Canadians fought, and despite the odds and terrible toll they had to pay, they never failed to display great courage and resolution. It is a great tribute to our nation to know that most of those who fought in this terrible war did so voluntarily.

It has been 50 years since the Nazi concentration camps were liberated and the guns fell silent. Many soldiers and civilians who experienced the horrors of this war are doing their utmost to

make sure all Canadians and all humanity remember the cause, the course, and the consequences of this conflict.

Yet in the years to come, as veterans and victims pass on, it will be up to my generation and the generation that follows to keep alive the memory. I feel entrusted with a sacred pledge to be able to go to the Netherlands next week to represent my constituents and the Reform Party in the Canada remembrance ceremonies.

For my part, I vow to keep the memory alive and honour our fallen soldiers and the victims of this terrible event. The people and events we are honouring today must not be forgotten in the dustbin of history. It must be remembered that those who forget the past are condemned to relive it.

Hon. Audrey McLaughlin (Yukon, NDP): Madam Speaker, today we rise in the House to remember. Half a century has not erased the memory of the horror of the six million people who were killed in Nazi concentration camps, nor the horror of World War II, which led to this.

Those who fought for the liberation of camps are also remembered today. We remember the families and individuals whose lives were lost in those camps. We admire the strength of those survivors, many of whom came to this country to help, with courage, determination, and strength, to build this country.

As we remember today, there is truly a lesson for us all, a lesson of courage and a reminder of how quickly prejudices and biases can turn to hate. As Canadians, we must be diligent and we must fight prejudice and racism. However, it is not enough to simply issue statements. We cannot be silent in our communities, in our homes or in our country. Silence and complacency are not options. We cannot rest in the assurance that the horrors of the concentration camps are simply a part of history.

[*Translation*]

We must be vigilant, because right wing extremism and fascism still exist in every country. We must ensure full application of the laws which prohibit hate, and work together to promote a strong and healthy democracy in Canada.

• (1020)

[*English*]

The Holocaust in many ways is something that happened to all of us. It is a part of our history and it is something we are all responsible for in ensuring that peace, justice, and freedom in every country in this world are more than just words.

Canada will remember. The world will remember.

Mrs. Elsie Wayne (Saint John, PC): Madam Speaker, I want to join with my colleagues in the House in commemorating the 50th anniversary of the liberation of the Nazi concentration camps. We must never forget the millions who were murdered at the hands of the heinous Nazi regime.

I also want to take this opportunity to pay tribute to the many Canadians who fought so that the future generations could live in peace and freedom.

I shall never forget as a little girl, when I was only five years old, when my brothers came in to tell my mother and my father that they had signed up to go overseas. They were overseas in France, Germany, and Italy. I will never forget the prayers and the hard times my mother had, hoping and praying she would hear from them. And I will never forget when I was a little girl and we went to the train station to greet them when they returned safe and sound.

If there was ever a war that needed to be won, it was the second world war. It hardly needs saying that the world would be a dark and different place today if the allies had not achieved victory.

We must never forget the unspeakable horror the death camps brought forth. They are a symbol of what can result from hatred and racism.

Today we witness the suffering of innocents around the world who are the victims of ethnically motivated conflict. Let us remember what such hatreds can lead to and be ever vigilant in our efforts to make sure it is not allowed to happen again.

Yes, Canada will remember.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Madam Speaker, I would like to move a motion, with the unanimous consent of the House, which I am pleased to say has four seconders: the hon. member for Châteauguay, the hon. member for Okanagan—Similkameen—Merritt, the hon. member for Yukon, and the hon. member for Saint John. I move:

> That this House solemnly commemorates the 50th anniversary of the liberation of the Nazi concentration camps, remembers the lives of the millions of men, women and children who perished at the hands of tyranny, and honours the many Canadians who fought for freedom and justice at a time of darkness.

(Motion agreed to.)

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. Bob Speller (Haldimand—Norfolk, Lib.): Madam Speaker, pursuant to Standing Order 34 I have the honour to present to the House a report from the Canadian branch of the Commonwealth Parliamentary Association concerning our visit to Hong Kong from March 13 to 17, 1995.

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, pursuant to Standing Order 36, I wish to present a nationally circulated petition that has been received by me. This particular petition was signed by a number of petitioners from the St. Marys area of Ontario.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession, which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged.

Therefore, the petitioners pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

• (1025)

EUTHANASIA

Mr. Fred Mifflin (Bonavista—Trinity—Conception, Lib.): Madam Speaker, I rise under Standing Order 36 to present a petition to the House.

These petitioners are all from Gambo in Bonavista North in my riding. They note that whereas the majority of Canadians are law-abiding citizens, that the majority of Canadians respect the sanctity of human life, and that physicians in Canada should be working to save lives, they humbly pray that Parliament would make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

CRIME

Mr. Mac Harb (Ottawa Centre, Lib.): Madam Speaker, I have a petition signed by many of my constituents of Ottawa Centre who are calling on the government to take action in order to deal with crime throughout Canada, mainly in urban centres. I would like to lend my support to this petition.

EUTHANASIA

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I have two petitions to table. The first one is signed by 58 people, mostly from Saskatchewan. These petitioners are asking that the Criminal Code provisions to prevent assisted suicide and euthanasia be maintained.

With those 58 signatories, the total number of petitions tabled to date on this issue is 29,506.

GUN CONTROL

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I also want to table a petition on behalf of another member. I know it is not customary to refer to the absence of a member, but this is the case of the unfortunate illness of the member of Parliament for Nepean. I am sure that I speak on behalf of all of us when I wish her to come back to Parliament very soon.

On behalf of the electors of the constituency represented by the member for Nepean, I want to table a petition signed by 25 signatories who are asking that there be no additional gun control measures.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I would ask that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

[*English*]

The Acting Speaker (Mrs. Maheu): I wish to inform the House that because of the ministerial statement and pursuant to Standing Order 33(2), Government Orders will be extended by 16 minutes.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—NATIONAL HEALTH CARE SYSTEM

Mr. Preston Manning (Calgary Southwest, Ref.) moved:

That this House recognize that since the inception of our national health care system the federal share of funding for health care in Canada has fallen from 50 per cent to 23 per cent and therefore the House urges the government to consult with the provinces and other stakeholders to determine core services to be completely funded by the federal and provincial governments and non-core services where private insurance and the benefactors of the services might play a supplementary role.

He said: Madam Speaker, I rise to address the Reform motion before the House, but before I do so I would like to say a word about broken promises.

One of the reasons there is so much public cynicism about politics and government is that governments consistently break their promises. This Liberal government, for example, is not yet two years old but already it has littered the political landscape with broken promises.

For example, there was the promise to base key federal appointments solely on competence rather than patronage, a promise routinely broken almost every week.

There was the promise by the now Deputy Prime Minister to resign if the GST was not replaced within one year of the election, shamelessly broken on October 25, 1994.

There was the promise not to alter federal–provincial transfers without the full co–operation of the provinces, which was broken by the introduction of the Canada social transfer in the February budget.

There was the promise to provide a new blueprint—

• (1030)

Mr. Szabo: Madam Speaker, I rise on a point of order.

Two days ago a member rose in the House on a point of order to indicate that the speaker was not addressing the motion on the floor. I believe this is the same case. Therefore, I would make the point that the member should be addressing the motion.

The Acting Speaker (Mrs. Maheu): Resuming debate with the hon. leader of the Reform Party.

Mr. Manning: There was a promise to provide a new blueprint for social reform. It was broken without apology or explanation when the Minister of Human Resources Development failed to deliver his green paper.

There was a promise not to increase the tax load on the long suffering, overtaxed Canadian taxpayer. It was broken to the tune of $500 million a year with the imposition of a 1.5 cent a litre tax on gasoline.

There was a promise of a more open Parliament where MPs would be free from party discipline. It was dictatorially broken when Liberal MPs who voted against the government's gun control bill were stripped of their committee positions.

The first part of the motion we are considering draws attention to yet another broken Liberal promise, one of the most serious of all. For the benefit of members, this is the connection between broken promises and the motion.

When national medicare was introduced at the federal level by a minority Liberal government 30 years ago, Prime Minister Pearson solemnly promised Canadians, the provinces and the House that the federal government would pay 50 per cent of the costs. This was the fiscal promise on which medicare rested. This was the condition insisted on by the provinces and promised by the federal government, a promise without which the provinces would not have agreed to national medicare.

The Liberals even wrote that promise into the old 1966 medical care act, section 5, which stated that "the amount of the contribution payable by Canada to a province in respect to a medical care insurance plan is an amount equal to 50 per cent of". It then went on to list the various cost components of the plan.

What is the state of that sacred promise today? Today the federal government's contribution to health care funding is not 50 per cent as promised. It is now less than 23 per cent and falling.

The Prime Minister and the health minister can profess their undying commitment to the principles of medicare until they retire from public life clutching their two–tier MP pension. The truth of the matter is that every day, every hour in every province, in every community, in every part of the country, whenever and wherever Canadians draw on national medicare, the government is breaking its fundamental promise to pay 50 per cent of the bill.

Because it is breaking that fundamental financial promise it is slowly undermining the other principles of medicare. It undermines accessibility as waiting lists get longer and longer. It undermines comprehensiveness as more and more health services are delisted from provincial insurance plans. It undermines universality as the system evolves into a multi–tier system with access to the various tiers being tied increasingly to ability to pay.

The second part of the motion before the House proposes a solution to this dilemma, which I will get to in a moment. Before I do so I would like to clear away one of the myths of medicare, a myth to which the Prime Minister and the health minister cling, a myth which prevents a clear diagnosis of the problem and the solution. That myth is that Canada has a one–tier medical system to which all Canadians have universal access regardless of ability to pay and opening up the Canada Health Act will lead to a U.S. style two–tiered system where ability to pay is the key to access.

The indisputable fact is that Canada already has a multi–tiered health care system, access to which has been made more restricted by rising health care costs and declining federal support. The challenge is to reform medicare so that one of those tiers contains all the essential health services required by Canadians, financed by sufficient federal and provincial funding so that no Canadian is denied access to those services because of inability to pay.

• (1035)

How to do that I will discuss in a moment. Lest there be some simple minded folk among us who still cling to the notion that Canada still has a single–tiered medical care system, let me submit evidence to the contrary.

I could quote from the exhaustive 1994 health care study by Dr. Ralph Sutherland and Dr. Jane Fulton entitled "Spending Smarter and Spending Less". On pages 98 and 99 of that study, they discussed the myth of the one–tier system and dismiss it as nonsense. They end by saying that the two–tier system is and always has been a reality in Canada.

They then go on to discuss how to make a multi–tier system work for the benefit of all Canadians which is the real challenge and real problem. Rather than quote extensively from the academic or technical literature, I prefer to share with the House a note I received just yesterday from a Canadian physician to whom I put the question, does Canada presently have a one–tier or two–tier system?

He says flatly that a two–tier system already exists. Should a person be admitted to a hospital, he or she can obtain a private room should he or she have the funds to pay for it or an insurance program that covers it. Otherwise this is not available.

People can hire a private duty nurse for 24–hour care if they can afford to pay for it. Many nursing and home care services are also available should the patient be able to afford to pay for them.

Recently midwifery has been introduced. Again this is only available to those who can afford to pay for these services. People can have access to procedures such as abortions in private facilities if they are able to pay the private facility fee.

People who can afford to may have an insurance plan to cover the cost of pharmaceuticals. Those who cannot afford to pay this fee must pay for it out of their own pocket.

The Workers' Compensation Board in this province has contracted many private facilities to provide services for its clients in order for them to obtain these services more quickly than possible in the public system and thus get them back to work in a more timely fashion:

Members of the military have been flown to the base hospital in Ottawa to have surgical procedures performed rather than being on a waiting list. I have also recently learned that the military purchases surgical procedures such as arthroscopies at private clinics as it is cheaper than purchasing the same procedures through the public sector.

As well, we all know the ultimate two–tier system is available to those who can afford to pay for it by leaving the country and having services provided in the United States.

Many leading edge technologies and therapies are not available in this country. In order to obtain them one must leave the country and purchase them in the U.S. A country of our stature should be ashamed of the fact that it is not able to provide those services.

He concludes by saying: "As I hope is demonstrated by the above examples, almost all aspects of health care in Canada are two–tiered and available to people on a private basis except for the physician's services. This and certain procedures which are only available in public hospitals are the only services that are not presently available in two tiers in this country".

Why on earth the Prime Minister and the health minister would continue to deny the existence of a multi–tiered health care system or to pretend that the five criteria of the Canada Health Act preclude such a system is beyond me. Childlike belief in the myths of medicare at the highest levels of the federal government must end if the problems of Canadian health care are to be resolved.

The second portion of the motion before us indicates the way in which Reform believes the government could guarantee universal access for all Canadians to a set of essential health services regardless of ability to pay in a multi–tiered system.

In order to provide secure funding for health care into the 21st century, substantive discussions and negotiations are required among all the key players: representatives of health care users, taxpayers, health care practitioners, health care administrators, health care insurers, the provinces and the federal government.

Reform proposes that these discussions and negotiations should focus on completing a health care funding matrix such as that shown on page 48 of the Reform taxpayers budget.

This is the type of framework for refinancing health care, saving medicare, which the Prime Minister and the federal government should have provided through that national health care forum which they have not. This is the framework required to produce meaningful amendments to the Canada Health Act, amendments which the health minister continues to fail to provide. This framework suggests that the first item on the agenda should be a discussion of how best to divide essential health services into core services and non–core services.

• (1040)

The core services would be those health care services most essential to Canadians, the financing of which would be guaranteed by the federal and provincial governments up to some minimal national standard. They would be those services which make the most demonstrable contribution to improving the health of Canadians and which must be provided in the most cost effective way possible.

These core services would constitute the heart of medicare. All Canadians would be guaranteed access to these services across the country up to some national standard regardless of their ability to pay.

Provinces and individuals would be allowed to provide and secure services that went beyond the core services if they so desired. The federal government would not be involved in the financing of such services.

Services designated as non–core services, for example, cosmetic surgery as distinguished from more necessary surgery or

fibreglass casts for broken limbs as distinct from plaster casts, would be funded through a more flexible combination of funding sources, including private insurance and user pay.

To those members opposite who will challenge us to elaborate on what should be considered core and non–core services, I would invite them to listen carefully to my medical colleagues, the member for Macleod and the member for Esquimalt—Juan de Fuca, and ask questions at the end of those remarks.

I would encourage all MPs to refrain from getting too deeply into that discussion. It is not our role in the federal Parliament, either constitutionally or practically. It is not the role of a distant federal government that is paying less than one–quarter of the bills to define those services. That is the old way. It is the top down way. It is the Meech Lake approach to medicare. It is the centralizing way and it is not the way of the future.

The definition of those services must primarily come from health care users, the people who use them, from the practitioners who actually practice them and from the administrators at the local and provincial levels. We should do everything we can through parliamentary committees, personal speeches and dialogue, through the national health care forum to facilitate those discussions and to listen. But we should not try to dictate the final division of services.

After those discussions occur, our role will be to commit federal funding to whatever Canadians define as core services, up to some minimal national standard in co–operation with the provinces.

There is no question in my mind that there is an urgent need for health care reform in Canada, particularly in light of the failure of the federal budget to eliminate the deficit. These reforms are required to preserve the best features of the present system; to prevent the funding system from being completely destroyed by interest on the debt; to provide flexibility to allow the provinces' health care administrators and physicians to better adapt to the health care needs of Canadians.

Canadians are asking and will continue to ask: From whom is the leadership for health care reform going to come? I would suggest it is not coming from the federal government under the current Prime Minister or health minister. They resist every proposal for change. They resist the diagnosis that would lead to real proposals for change. They charge anyone who advocates change with being an enemy of medicare, which is a reactionary position, or a proponent of U.S. style health care, charges which are completely untrue. They are only dragged into the discussion of health care reform at all by their officials telling them that if they do not do something, the system is going to collapse and they are going to carry the blame.

Therefore I suggest that the leadership for health care reform, and it is occurring in many spheres, where the public is now ahead of the politicians and the government, must come from the patient user community, from taxpayers, from the medical community, from administrators and local governments, from provincial authorities, from the bottom up, not the top down.

If in 1960 Ottawa had had the monopoly it has today on setting terms and conditions of health care services and financing, the present medicare system would not have come into being. Canadian medicare did not start in Ottawa. It did not start anywhere near Ottawa. It started in Saskatchewan and it really started there in an operational sense with the Swift Current Hospital District in that province.

• (1045)

The concept was incorporated by the old CCF into its political platform and then stolen by the federal Liberals. I can assure concerned citizens and real health care reformers across the country they will find allies and advocates of sensible change to the health care system in the Reform caucus.

I urge all hon. members who wish to save and advance the best features of Canadian medicare to support this motion.

Hon. Diane Marleau (Minister of Health, Lib.): Madam Speaker, with all due respect to the leader of the third party, he has certainly spoken of broken promises and has gone on at great length about it.

Speaking of broken promises, during the election and following I can recall the leader of the Reform Party stating: "I want to make it absolutely clear that the Reform Party is not promoting private health care, deductibles or user fees". Yet, today what is he talking about? Deductibles, user fees, getting more and more private. That was yesterday; this is today. Talk about breaking promises.

I can recall the Reform Party rhetoric during the last election. How does the hon. member explain his change of thinking or his whole party's change in rhetoric? How, pray tell, would that ensure that people who needed the care got it based on their need and not on whether they could afford to pay for it.

Let us face it. This is from a party that does not advocate any taxation increases whatsoever. Taxes are based on fairness. If you make more money, you pay more tax. They are proposing a tax on illness. The sicker you are, the more costly it is for you. What kind of a system is that? I would like an explanation.

How would the leader of the Reform Party deal with people who are very ill who, by the way, tend to be the poorest? Usually those who are very sick cannot work anymore. He might be charitable to a few and there would be these core services; maybe you could have a band–aid if you could not afford to pay

for it. What kind of medicare is he proposing except the American style of system? And we know what that is about.

Mr. Manning: Madam Speaker, I would remind the minister that while there is only a handful of us here in the House her remarks on this subject are being carefully monitored these days by the practitioners and administrators and particularly by the provinces. The statements made here that completely deny the reality of the health care system do no service to this House nor to the government's position on the seriousness of the problem. They create the impression that we literally do not understand how the system works. That is a discredit to the minister and the government.

From what the minister says, we can tell her views of what Reform said during the election are based on what a clipping service says Reform is about. They bear no resemblance whatsoever to the positions we have articulated, particularly the Reform colleagues with medical backgrounds.

With respect to her particular question of how we facilitate the payment for services for people in this category of poor services, the minister could not have been listening to what I said. We say we should define a set of core services that are essential to the care of Canadians. Those are the services to which we would dedicate entirely the federal and provincial contributions to the funding of medicare. Those services would be brought within the financial reach of every Canadian no matter where they lived, regardless of their ability to pay. The non–essential services can be provided through other financing sources such as insurance and even user pay. That is perfectly clear.

These proposals have been presented by other health care reformers in the health care field itself and in the provinces. It is time for the minister to acknowledge them for what they are, not to pretend they are something else.

• (1050)

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, the hon. member put forward an eloquent speech, wonderful rhetoric. It shows a depth though of the superficiality of the understanding of what health care is all about and what the five principles of medicare actually mean.

I would not like to add any further rhetoric but to say that with this lack of understanding would the hon. member like to explain to me what he understands by the meaning of the term "core services". He bandies it about and uses it a lot. I would like to know from him what he means by core services.

Mr. Manning: I have two comments. I appreciate the fact that the member is concerned about superficiality. I would earnestly suggest if she reads the speech the Prime Minister gave on this subject in Saskatoon and if she reads the speeches that have been given by the Minister of Health, we have a superficiality that betrays the government's position today.

With respect to core services, we think core services should be those services deemed essential to the health care of Canadians as defined by health care users, practitioners, local administrators and provincial governments.

I explained in my speech specifically that we should not try to say what those services are. That is what got Ottawa into trouble in the first place. It made a commitment to a whole range of services which it could not continue to fund.

At every public meeting and meetings with the medical community that I have had where I have put this health care matrix up, you can get an excellent discussion and definition from those people if you put up that matrix. I suggest that if the minister and the member want to know, go and ask the people whose opinion on that definition is the one that counts.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, certainly from what is before us in the opposition motion on the national health care system the leader of the Reform Party has made it clear at least today that he is for a multi–tiered system. Therefore it is now clear to Canadians that the Reform Party wants to destroy the medicare that we have today.

Mr. Morrison: You destroyed it.

Mr. Pagtakhan: They can say anything, Madam Speaker, but Canadians are serious. They are not laughing about medicare. Canadians want to preserve medicare.

Does the hon. member believe that the single tier system is the best system in the world in terms of cost effectiveness? If the member does not believe that, I would refer him to the report of the Surgeon General's office in the United States. It has shown that indeed we have a lot of savings by having a publicly administered single tier system.

The second point is when the member spoke about health care funding I am not clear as to his understanding of funding for health. Does it mean only public spending on health or private spending on health? I can see from his speech that he would like to shift the cost of health care spending from the government to private individuals, the citizens. However, he has no proposal whatsoever that will contain the cost of proper health care spending which is the critical question facing Canadians to preserve our medicare system.

Mr. Manning: In response to the first question: Is the current system the most cost effective in the world? No, it is not. This is obvious. This is not a matter for debate. Study after study has indicated that the costs are out of control with respect to the Canadian system and therefore it cannot be the most cost effective.

The fact that more and more Canadians are seeking health care outside the Canadian system itself is evident that there is something wrong.

• (1055)

The government itself professes a great abhorrence of the American system. We do not agree with the American system. We are not advocating anything of the kind. However, because of the actions of the government, it is driving more and more Canadians to subsidize the American system to the tune of hundreds of millions of dollars a year because they will not stay on the waiting lists here.

The hon. member is a physician himself. Has he ever sent a patient to get health care in the United States because they could not get it here or were on a great waiting list under our current system?

The Acting Speaker (Mrs. Maheu): I am sorry, the time has expired.

Hon. Diane Marleau (Minister of Health, Lib.): Madam Speaker, I would like to thank the leader of the third party for setting forth in his party's motion a proposal which I would qualify as almost perfect, almost perfectly wrong that is. The proposal demonstrates clearly that Reform Party members do not understand how the Canada health system functions, what challenges it faces, what is being done to address those challenges, and what solutions are realistic and make sense to Canadians.

In his medicare proposal and in his pronouncements on the Reform Party's views, the leader of the third party has managed to put together a package that will simultaneously increase bureaucracy, decrease flexibility, maximize federal interference in provincial jurisdiction and most of all, increase the cost of health care in Canada.

How would the Reform Party pay for this? It is simple: It would push people into buying private insurance, if it is available and if they have the money for it, to cover things which are presently covered by medicare. Worst of all, it would tax the sick by permitting and even encouraging user fees.

The Reform Party proposal and pronouncements are not a prescription for a healthy medicare system. They are a prescription for disaster. Before dealing with the specifics of this motion and of Reform's thinking on medicare, let me question the proposals of the Reform Party.

Reform's so–called budget proposed surrendering additional tax points to the provinces for health care. How precisely does this square with its concern about a falling federal share of cash contributions? Certainly not well at all. How would the Reform Party deal with the fact that tax points yield different revenues in each of the provinces? It obviously has not thought of that.

How would that party enforce the conditions and criteria of the Canada Health Act? It certainly appears it would not.

What, if any, evidence do members of the Reform Party have to support their expectations that provinces would agree on a common level of basic or core health services everywhere in Canada as they state they would on page 48 of their so–called budget? Are they not aware that a number of provincial ministers of health have already indicated that such an approach is simplistic and they have no interest in developing a national list?

Which is the federal role? To determine core services, as the motion states, or to have provinces agree on a common level of core services as stated in Reform's so–called taxpayers budget? How would the leader of the third party coerce the provinces?

The Reform Party obviously has no answers for these questions. That is the reason its arguments have no basis in fact and are almost perfectly wrong. It is soapbox rhetoric which could lead to the destruction of medicare, and we are not going to have any of it.

Take this motion, for example. In dealing with federal contributions to provincial health insurance plans, the hon. member mixes apples with oranges. He does it all the time, so this is nothing new.

• (1100)

The federal share of funding for health care was never 50 per cent of total provincial government health expenditures. As a result of cost sharing during the 1960s and early 1970s the federal share nationally accounted for roughly 50 per cent of provincial expenditures for hospital and medical care only. Even then provincial governments were spending on health programs for which the federal government did not share costs.

Let us look at some real numbers, not those fabricated by the Reform Party. In 1975–76 after medicare was introduced the federal contribution nationally amounted to 39 per cent of total provincial health expenditures. In 1992–93 the federal contribution, the sum of the cash in transfers to the provinces for health, represented 32 per cent of total provincial government health expenditures.

Another way to look at the numbers is to examine the federal share of total health expenditures in the country. On this basis the federal share dropped from 31 per cent in 1975–76 to 24 per cent in 1992–93.

[*Translation*]

Let me repeat it again, so that, hopefully, Reform members will understand eventually. In dealing with federal contributions to provincial health insurance plans, the Reform Party leader is mixing apples with oranges. The federal share of funding for health care was never 50 per cent of total provincial government health expenditures.

As a result of cost sharing agreements reached during the sixties and the early seventies, the federal share nationally accounted for roughly 50 per cent of provincial expenditures for hospital and medical care only. Even then, the provincial governments were spending on health programs for which the federal government did not share costs.

Let us look at the real figures, not those fabricated by the Reform Party. In 1975–76, after medicare was introduced, the federal contribution nationally amounted to 39 per cent of total provincial health expenditures. In 1992–93, the federal contribution, that is the sum of the cash payments and tax transfers to the provinces for health, represented 32 per cent of provincial government health expenditures.

[*English*]

These are all real and public numbers. They should be the Reform's numbers because they are the facts.

Provinces administer the health care system. I want to make it clear and acknowledge in the House what I have said elsewhere. Provinces and territories are doing a good job of containing costs but historically the costs of provincial health plans increased in a less controlled manner. It is in part because of this that the federal share of health expenditures has fallen over time. If health costs had risen at the average rate of OECD countries the federal share would be substantially higher.

Expenditures in the public sector are being controlled. Our cost control problems are now in the private sector. Pray tell, why would we shift more to the private sector so we can have even higher and less control of costs?

In 1993 Canada spent $72 billion on health care. This represented 10 per cent of our gross domestic product. Hon. members are aware that with the exception of the United States, Canada's health expenditures are the highest of any industrialized nation.

There is enough money in the system. It is a question of how better to spend the money we have. Of the $72 billion spent in 1993 approximately $52 billion was spent in support of public health services while the other $20 billion was spent in the private health sector. Lately the public component has been growing at less than 2 per cent. On the other hand, private health spending has been growing by more than three times that rate.

• (1105)

The public sector or single payer system has enabled the provinces and territories to better control the rate of increase in the growth of health expenditures in the public sector. The World Bank's 1993 world development report noted the cost effectiveness and control advantages of public sector involvement in health: "In general the OECD countries that have contained costs better have greater government control of health spending and a larger public sector share of total expenditures".

The OECD review of health reform and development in Canada also recognized the advantage of a significant public sector involvement in health. From the 1993 OECD economic survey of Canada: "The structure of Canada's single payer health system lends itself to effective supply management and control. It seems the problems of the current system are not related to its publicness".

With respect to health expenditures in 1994, preliminary estimates by my officials indicate public health expenditures declined in aggregate by about 1 per cent in 1994, while private expenditures increased at about the same rate as 1993. Under these assumptions total health expenditures in 1994 were approximately $73 billion for an aggregate increase of less than 1 per cent, or about $600 million. Expressed as a percentage of GDP, total health spending probably declined to about 9.7 per cent in 1994.

There are a number of reasons we have been more successful in controlling health costs in the public sector than in the private sector.

[*Translation*]

We have in each province a structure which provides the same coverage to everyone. It is not necessary, therefore, to assess individual risks. Payments to providers are made in a simple but efficient manner. Financing of the system is simple; everything possible is done to reduce costs. In fact, researchers from Harvard University found that Canada only spends 1.1 per cent of its gross national product on health care management.

If we spent as much as the United States do on that, health care expenditures would increase by $18.5 billion. Americans spend almost two and a half times as much as we do on that. And there is no evidence that spending more would improve the health of Canadians.

The second reason we are in a better position to control costs is that there is only one purchaser in our provincial health insurance plans. Governments have great clout when it comes to negotiating the level of costs of services. They can set overall budgets for hospital and physician services. In fact, they have done so, as indicated by the figures I quoted.

[*English*]

As Minister of Health I want Canadians to continue to have access to high quality health care at a price they can afford. That is why I am working with my provincial and territorial colleagues as well as other stakeholders to address cost drivers in both the public and private health sectors. So much for the first part of Reform's motion.

Let me now deal with the second part which calls for a listing of core services. There is a remarkable degree of congruence between the provinces. Among them there is broad agreement as to what constitutes the core of ensured physician and hospital services. There are some differences from province to province

but these simply demonstrate the flexibility which provinces can and do exercise in providing a range of additional benefits to their residents. That is not wrong. That is a strength of our system; a system characterized by sound consensus on what are core services or medically necessary services.

The list of covered procedures and services of necessity must be flexible. That is because the way we deliver health care and the opportunities which new technologies and procedures create dictate changes need to be incorporated over time. There is almost no service not medically appropriate in some cases.

• (1110)

For example, plastic surgery may be considered medically necessary when it is intended to correct a medical condition. Reconstructing a nose to correct a breathing problem is labelled cosmetic surgery but clearly it is a medically necessary procedure.

Other examples include removal of minor skin lesions when cancer is suspected and tattoo removal in the case of abuse or prisoner of war experiences.

For the most part in Canada we have left the definition of medical necessity to professionals, not bureaucrats. The medical necessity of a service is determined at the point of delivery of the service. That is what the Canada Health Act has allowed. It is based on the medical needs of the patient, not the financial means of the consumer. That is the way it should be; this is simple fairness.

Canadians do not want cash register medicare. This stands in sharp contrast to what is happening with managed care in the U.S. There, third party insurers tell physicians what they cover and what they can or cannot do for their patients. So much for clinical freedom.

This reality is one of the major reasons why a significant portion of doctors who leave Canada to practise in the U.S. do come back home.

The Reform Party says it stands for smaller government, less bureaucracy. Therefore I find it strange it is suggesting a process that would actually increase bureaucracy. Let there be no doubt, producing the list of medically necessary or core services would involve more bureaucracy.

Medical necessity is an integral part of the understanding and operation of the Canada Health Act. It is at the very heart of the principle of comprehensiveness.

In the Canada Health Act the words medically necessary are used in conjunction with other conditions. This ensures that once a service has been determined to be medically necessary and insured by provincial health insurance plans it is accessible in uniform terms and conditions by all residents of the province and available to them when they travel across the country.

In a manner of speaking, these become rights of Canadians. These are rights the Canada Health Act is there to protect. Canadians expect they will have medically necessary services available without point of service charges. They are right in this expectation. This is why facility fees for medically necessary services in private clinics are unacceptable and why I took steps to address this problem in January.

A rigid list of medically necessary services encourages the development of a second tier of health care delivery. It promotes privatization and shifting the burden of costs from society to individuals. These costs would then be borne by patients or by their employers.

Reformers, who profess to know what is good for business, should ask business people what they think about this idea. Let them talk to the owners of small businesses, the independent entrepreneurs who account for so much economic growth in our country, who have tried to buy insurance to cover the health cost of their employees. They know how costly it is already and they appreciate how much more expensive it would be if they had to cover more services and medically necessary services as well.

I ask Reform Party members, in particular the member for Macleod who is a physician, to tell us which services they think are not medically necessary, which services they think should be deinsured and which services they think individual patients should pay for.

Even the premier of Alberta is unable to provide a list of what these should be. The government's agenda is a national one. It is aimed at doing what is necessary to renew our health care system to make it more efficient and effective. It is an agenda based on better health outcomes, not better incomes.

The motion before us urges me to consult with provinces. Since becoming Minister of Health I have made it clear I want to work with provinces and territories and I have. I have met my provincial colleagues. I talk to them on a frequent basis. We have arrived at a consensus about the need to support the principles of the Canada Health Act. Perhaps he should consult with more provinces than he has.

• (1115)

I am prepared to continue this collaboration. Our next regular meeting is scheduled for September, but I have already told the provinces that I am ready to meet with them earlier. There is no lack of willingness by this government and this minister to work with the provinces, the territories and others to ensure that Canadians continue to have the very best health care system in the world.

Mr. Preston Manning (Calgary Southwest, Ref.): Madam Speaker, the minister concluded her remarks by expressing her desire to co–operate, collaborate and work with the provinces, and we applaud that. That is constitutionally correct and is the only way the system will be fixed.

However in the course of her remarks she used an unfortunate phrase. I trust it was a slip of the tongue when she asked rhetorically how we can coerce the provinces into national standards if we do not retain the present system.

Surely the minister is aware that she is losing her capacity to coerce the provinces as federal cash transfers decline. She is also aware that it is possible to have national standards without coercion as we have, for example, in the field of education where there is the universal standard that everyone under 16 years of age gets a free education. That was established as a national standard without any national education act or coercion on the part of the federal government.

This talk of coercing the provinces into national standards as her financial position weakens is completely contrary to the spirit of federalism and what she said later on. I should like to give the minister an opportunity to withdraw that statement and indicate that she did not mean in any way, shape or form to say she favours coercion of the provinces, which is a polite word for blackmail, into national health care standards.

Ms. Marleau: Madam Speaker, my response to that is to go on to say that again they do not listen to what I am saying. I have asked the Reform Party to explain how it would coerce the provinces into having a uniform list of core services, and it certainly has not answered that. Its type of top down solution is not exactly what I am talking about.

We are getting a strange mixture of things from the Reform Party. On the one hand I heard the leader of the Reform Party go on at length about allowing the provinces to have more flexibility to allow those in the regions to be better able to deliver services. On the other hand his party is asking us to work with the provinces to develop a hard line definition of what is covered and what is not. There would be a list and we would need a whole series of bureaucrats to make sure it is really this and not that and therefore would not be covered. It always astounds me because the Reform Party cannot have it both ways.

By the way, we enforce principles not standards. The Canada Health Act talks about five fundamental principles. Those principles have served us very well.

The type of fear mongering and statements made by the leader of the Reform Party saying that our health care system is not doing well are wrong. While I will admit that changes are needed and we have to continue to work on it, the idea is for us to shape the future of medicare. That is what the provinces, working along with the federal government, are very much working on to deal with the new technologies and to ensure the dollars spent on health go directly to those things that are most needed.

Change is difficult. It is not easy. Throwing more money at it will not make it better. We will end up with a system like the one in the United States. That is exactly what the Reform Party is promoting.

Mr. Grant Hill (Macleod, Ref.): Madam Speaker, the minister has gone on at great length to talk about our proposal for a definition of core essential issues. She said that this was some kind of nefarious scheme that had never been thought of or heard of in Canada before.

• (1120)

Could the minister explain when the Prime Minister said shortly after the budget on the Peter Gzowski program that we must return more to basics in our health care system? That is not an exact quote but very close to an exact quote.

Could the Minister of Health explain what the Prime Minister was referring to when he said that we were trying to do too much with our public funding? That is not a question the minister should be able to dance around and avoid. It is a fairly straightforward question.

Ms. Marleau: Madam Speaker, the Prime Minister has been a member of Parliament for 32 years. He does not need lessons on medicare from the Reform Party. Let us make that perfectly clear. He was here when medicare was brought forward. He saw the growth and the best of medicare. That is why he is such a staunch defender of it. That is what we are talking about.

The member for Macleod talks about core or medically necessary services and having lists. Certainly they are things that have been talked about. The premier of Alberta talks about them all the time and he has not been able to come up with a list.

I would understand if the member for Macleod would agree. After all, he is and was at another time in his life a physician. Does he not believe it is far better for physicians, medical practitioners, to make that determination when they have someone before them? They look at the evidence before them and know what is medically necessary or not, or they should know.

With the help of the Medical Research Council and many other agencies we are proposing to look at evidence based outcomes. Many procedures have been performed that perhaps do not have any real value. Those kinds of procedures should not be performed any more. We need to do a lot more research in that field. A lot of it is being done and we will continue to do it. We are proposing clinical guidelines so that there are fairly uniform ways of determining.

When we hear about an excessively high rate of hysterectomies in one area versus another area when the composition of the communities is essentially the same, there is something wrong. We will work at addressing some very serious discrepancies, but that is not to say that we should have a strictly defined list. I still believe that patients, along with their physicians and their caregivers, should be the ones to determine what is medically necessary.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Madam Speaker, I have a question for the Minister of Health. Canadians are faced with a fundamental dilemma: there is less government money to go around to support medicare as we know it yet everyone wants to preserve medicare.

How do we reallocate tax dollars and in general bring more resources to bear on medicare in a climate of economic restraint? A lot of our problem is really not internal to medicare but rather the fiscal climate within which it is trying to operate.

Could the minister clarify the larger fiscal climate that affects medicare and the solution to that dilemma? How do we address the overall funding shortfalls for medicare that are getting worse every day? It is a national problem. What will the federal government do about it?

Ms. Marleau: I have said and I will repeat that there is enough money in the system. However I will say there are some areas where we have to set our priorities. Medicare is a priority. It is a priority for the federal government and it is a priority for most provincial governments. They have to base their financial decisions on their priorities.

We are doing it here. We are working at setting our fiscal house in order because we understand we have to do certain things to preserve and protect the very sacred programs which are constitutive to our identity.

• (1125)

That is what medicare is. It defines what Canadians really are and it shows the values of caring and sharing which have helped to build this great country. We will continue supporting these solid values.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Madam Speaker, I welcome this opportunity to rise in the House and speak to the motion presented by our Reform Party colleagues, a motion that concerns Canada's health care system. Although we are aware of and condemn the federal government's unilateral withdrawal from the funding of health care services in Canada, the Bloc Quebecois cannot support this motion.

It is true that, as far as funding for health care is concerned, the federal government has betrayed the provinces by reneging on its commitments. It is true that, by continuing to impose its standards in an area over which the provinces have jurisdiction, while refusing to pay the real cost, the federal government acts like the charming host who invites you out to dinner but leaves you with the bill. We agree with our Reform Party colleagues that we should condemn, loud and clear, the present government's shameful withdrawal of funding from health care programs.

By continuing the work started by the previous Conservative government, which it deplored at the time, the present government has made the advent of a two–tier and two–speed health care system unavoidable throughout Canada. That is the tangible result of these harsh but insidious unilateral cutbacks in transfer payments to the provinces for established programs financing. However, the Bloc Quebecois could never support a proposal that the federal government become involved in determining core and non–core services, a prerogative exclusive to Quebec and the other provinces.

To establish a national list of core services would be a denial of the authority of the provinces to determine the kind of care they feel is necessary to maintain the health of the public that depends directly on the provinces for those services. Another reason why we cannot support this motion is that the Reform Party proposes to open the door wide to private insurers. Although federal cuts in funding for the public health care system in Canada has led to a proliferation of private clinics across the country, the Bloc Quebecois cannot support the advent of a two–tier system, one for the rich and one for the poor.

The present government's position on the management and funding of Canada's health care system is at best ambivalent. To me, it is clear the federal government can no longer afford its ambitious plans for managing the health care system. The trouble is, it does not come out and say so to the taxpayer, since by cutting spending unilaterally in a jurisdiction it appropriated at the time, the federal government has shifted the responsibility for breaking the bad news to the provinces. It takes credit for giving us the best health care services in the world, but it will no longer provide funding to maintain the standards it has set and compensate for the tax room it appropriated to pay the real cost of the system.

We should not be surprised that the health care system is coming apart at the seams, and mainly because of the federal government's withdrawal of funding. However, the government should be frank and make this clear to the taxpayers, instead of trying to camouflage the whole situation with its new Canada Social Transfer. It should stop trying to fool the public and give the impression that the whole might be better than the sum of its parts.

When the total amount of transfer payments is reduced in the Canada Social Transfer, it means there is less money for

education, less money for social assistance and less money for health care. One would have to be very naive to believe, as the Minister of Health seems to think, that this new approach will make it possible to safeguard Canada's health care system without involving a major departure from its main principles.

• (1130)

In its last budget, the government introduced several measures which are a threat to our social programs. It cut transfer payments by $7 billion, which amounts to offloading $7 billion of its deficit onto the provinces.

The most recent cut in transfer payments is just one more in a series of unilaterally announced cuts over the past few years, a practice the members of this government used to protest loudly against back when they were in opposition. Between 1977 and 1994, the federal government's share in social program funding—health, education and social assistance—dropped from 47.6 per cent to 37.8 per cent. The latest budget follows suit with a draconian cut to the federal government's funding share, which will have sunk to 28.5 per cent by the end of the next two years.

After so many years of offloading to the provinces, the federal government still has not learned that cutting transfer payments is not helping to fix the financial problems of all of the governments in Canada. By insisting on governing areas over which its own Constitution gives the provinces exclusive power, the federal government is preventing the country from finding any real solution to its financial crisis, both at the federal and provincial levels.

We are clearly witnessing the dismantling, the crumbling of the health care system as we have known it up to now. The very essence of the motion before us today bears witness to this. It also confirms the dismal conclusions drawn at the provincial health ministers' conference, which was held in Vancouver earlier this month.

We all know that Quebec and the other provinces are facing a dizzying increase in health care costs. This increase is due mainly to the following factors: an ageing population; new, more expensive, medical technology, and a significant increase in spending on pharmaceutical products.

In the last budget, like other budgets before in which transfers were frozen, the government substantially cut transfers to Quebec and to other provinces for health care. Regardless of whether these transfers are lumped with others in one envelope called the Canada social transfer, the effect is the same: less money will be available for health care and, in this way, the government is eating away at the foundations of our health care system.

Nobody in this House can ignore the radical changes being made across the country to the health care system as we know it. A two–tier and two–speed health care system is no longer a prediction, but a reality.

I cite as proof the Prime Minister's latest statements, in which he quietly and furtively introduced the new concept of guaranteeing Canadians basic health care services only. By alluding himself to essential minimum standards, which are neither identified nor formulated, the Prime Minister is acknowledging the evidence emerging everywhere in Canada of a two–tier and two–speed health care system.

The two–tier health care system is evidenced by a trend, which is well established in the system and which, without drastic change, will become the norm. There will be a basic service covered by health insurance and there will be the full specialty service paid for by user fees, private insurance or some other financial arrangement.

The two–speed system is already well established throughout Canada: slow public service for those without the means to pay and quick private service for those who cannot afford to wait, but who have the means to pay the cost of a private clinic.

During his budget speech, the Minister of Finance solemnly stated, and I quote: "The conditions of the Canada Health Act will be maintained. For this government, those [principles] are fundamental". The government is maintaining the obligation to meet national standards, but, in the same breath, it is cutting the means to maintain them.

• (1135)

It is shameful double talk: we want to go to heaven, but nobody wants to die. The government says it is up to the provinces to organize themselves and all that. It would have us believe that this is flexible federalism.

How can the government still think and argue that the provinces will keep the same health services for the public? How will Quebec and the other provinces successfully apply the five main principles of the Canada Health Act, which Ottawa is requiring them to do as it dumps billions of dollars of deficit on them through cuts to social programs?

The government should be strong and come clean with Canadians by telling them that, unfortunately, because of its errors in the past, primarily in the Chrétien and Lalonde budgets, it no longer has the means to maintain our health care system as we know it. But no, the government is deceiving the people by hiding the spectre of the demise of social programs due to so many years of bad management, of diluting provincial jurisdictions and of wastage, because it used its spending power to centralize and unify.

Quebec and Canadian taxpayers hand significant sums of money over to the federal government, and a portion of it was always set aside for health care under the 1977 agreement. The problem is that, for the past 12 years, the federal government

has not been returning the amount due the provinces to them, thus diverting money intended for health care. Instead, it transfers to the provinces the deficit it has accumulated because of its inability to bring its own expenditures under control. The federal government must be sensitive to and, more importantly, aware of the fact that, by increasing the tax burden of the provinces in this way, it is creating a two–tier health system.

We believe in the general principles of universality, comprehensiveness, accessibility, portability and public administration of health care. What we denounce is the fact that these five general principles are now seriously threatened in Quebec and all the provinces by the federal government's failure to honour its commitments.

Reducing or freezing federal transfer payments jeopardizes our health system. When it was first passed, the legislation governing established programs financing provided that 45 per cent of health costs were to be paid via Ottawa. However, because of the economic crisis in the early 1980s and the catastrophic condition of public finances at the federal level, the federal government began unilateral withdrawal action that will result, in 1997, in federal contributions being half of what they used to be. This withdrawal from financial commitments, repeatedly described as unacceptable, unfair and inconsistent by the Quebec government, did not lead to less interference from Ottawa. Not only does Ottawa continue to impose national standards, it interferes through parallel programs, thereby causing costly overlap.

This results in constant pressure toward the introduction of user fees and other billing methods, the curtailment of coverage for certain services, a service tax on drugs, bed closures and major budget cuts in hospital centres as well as disgustingly long waiting lists in several areas.

This is to say that the very foundations of our health system, namely free care, universality and accessibility, are in jeopardy. What does the minister think of her government's withdrawal from its commitments and the hardship caused to provincial health ministries? I think that, if she pays any attention to what goes on in her own department, the minister must be fully aware of the serious implications of such action on our health system. She must certainly see that all the leaks in the system will inevitably lead to a two–tier system, a two–speed system.

Since she took office, the hon. minister has repeated over and over that the Canadian health system is the best in the world and that she cares so much for the health of Canadians that she would never give up the five general principles laid down in the Canada Health Act.

Reality, however, is something else altogether. If she does not, as she claims, sacrifice these five general principles laid down in the Canada Health Act, her colleague, the Minister of Finance, on the other hand, certainly does not mind doing so.

• (1140)

By taking the axe to established programs financing, the Minister of Finance is eviscerating the health care system, principles or no principles. They may swear that they are committed to the principles set out in the legislation, but if they do not provide the money needed to enforce them, what will happen? The principles will fade away one after the other, slowly but surely.

I freely admit that the Minister of Health may be committed to the principles that guided the implementation of what she always likes to refer to as the best health care system in the world. However, I think that this commitment, however profound, did not weigh very heavily in budget decisions. It must be recognized that the minister failed miserably in her attempt to secure the funds needed for the smooth operation of the health care system.

In fact, the Minister of Health renounced her responsibility. When the 1994 budget was tabled, she announced with great pomp that the National Forum on Health promised in the red book would be held under the chairmanship of none other than the Prime Minister himself. The health care system was supposed to be spared until the results of these widespread consultations were known. Although the Minister of Health succeeded in holding her forum, which was supposed to solve all the problems, the Minister of Finance for his part did not beat around the bush. Saying to hell with the forum, with consultations and reforms, he decided that the remedy lay in blind, uniform, unilateral cuts across the board.

The Minister of Health, who, like us, must see a two–tier system developing across Canada, should have the courage to rise in this House and denounce her government's unilateral cuts.

It is not true that user services will remain the same. It is not true that the provinces, to which the federal deficit hot potato has been passed on, will perform miracles with shrinking resources. The minister should agree with this analysis since it reflects her own interpretation delivered in this House on March 9, 1992, when she was a member of the opposition.

What we must realize is that, by perpetuating the mistakes of the past, the government is moving toward the position held by the Reform Party, that is, a two–tier health care system that is partly public and partly private. The difference is that the Reform Party does it directly and openly by tabling a motion, whereas the government does it in an underhand and hypocritical manner by refusing to face reality and admit that it can no longer afford to pursue its ambitions.

The government finds itself in that position because it does not have the will to cut elsewhere in its spending and to review its fiscal policy. The government is prepared to sacrifice health, but it does not hesitate to maintain useless and costly duplica-

tion, as well as family trusts, or to pay for costly ministerial suites, among other things.

Whether it is through the government's approach or the one proposed by the Reform Party, the Bloc Quebecois cannot support the destruction of our health care program. If the federal government no longer has the means to meddle in this field of provincial jurisdiction, it should completely withdraw from it and leave it to the provinces, with the tax room that goes with it. In doing so, the government would at least save the administrative costs of the federal programs which duplicate similar provincial initiatives. Both the federal and provincial governments would benefit, not to mention Canadians, who would definitely get more for the same amount of money.

The failure of the health care program reflects the failure of a centralizing federalism. That program can no longer be a great tool to promote Canadian unity, as this government would so dearly love. Let us do without symbols which we cannot afford. Let us be realistic. The federal government must stop trying to impose its utopian vision of an egalitarian Canada and withdraw from those sectors, including taxation, which fall under provincial jurisdiction.

This is the Bloc's position and this is why we reject the motion.

• (1145)

Hon. Diane Marleau (Minister of Health, Lib.): Madam Speaker, first, I would like to thank the hon. member for taking part in this debate and for having made a speech here, but I think that she may have missed one or two things in mine. First, Canada is second in the world regarding the overall sums spent on health care. No expert, no economist anywhere would tell us we should be spending more. Not a one. We know that we could even do more with less.

I am sure that Quebec's Minister of Health agrees with me on this point, because, this year, he is proposing a half billion dollar cut, $545 million to be exact, I believe, to the health care budget of the province of Quebec. So he too probably realizes that we do not need to pump more money into the health care system, but to better manage the amounts we do put into it. These things need to be said because this year's transfer payment has not been reduced but increased.

The Canada Health Act gives the provinces a lot of leeway. In fact, they already have all of the freedom they could want, except to levy user fees or charges for hospital care or medical help.

The fact that the Canada Health Act prohibits user fees is important, and Canadians should appreciate that this legislation can help them, especially when they are sick.

The hon. member talked about overlap. The federal government only employs 25 people to administer the Canada Health Act. Is that overlap? In my opinion, we are doing quite a good job, because we are working very closely with the provinces to avoid overlap, especially in the area of health care.

The hon. member made a fine speech, but what I really want to know is the following: Does the Bloc Quebecois support the principles of the Canada Health Act or does it envision a two-tier system? Does it want to bring in user fees? Exactly how does the Bloc Quebecois intend to do things better or to change things? Does the Bloc Quebecois acknowledge that the Canada Health Act has served Canadians very well and that we absolutely must build the system of tomorrow on the values it contains?

Mrs. Picard: First of all, Madam Speaker, I want to thank the minister for her questions.

I would like to remind her of the position of the Bloc Quebecois. In 1977, when the five main criteria in the Canada Health Act were adopted, agreements were concluded with the provinces. The gist of these agreements was that the federal government would transfer to the provinces the money they would need to administer the health care system.

With respect to the cuts I mentioned earlier and to what I said in my speech, I would like to point out to the minister that she misunderstood entirely what I was trying to say, because I always said the Bloc Quebecois supported the five main principles of the Canada Health Act. However, we object when the government cuts transfer payments and then asks the provinces to do more with less money, when we know that the—

An hon. member: Oh, oh.

Mrs. Picard: Exactly, if you had not cut transfer payments, Mr. Rochon would not have been able to—

Some hon. members: Hear, hear.

Mrs. Picard: Madam Speaker, I would like to quote from the speech the minister made in 1992: "Cutting back on the transfers in these areas has not contributed to better management of our health care system. We have literally forced our deficit onto the provinces and said to the provinces they have a choice: they can either increase their taxes or cut back on their services. What we have seen in many cases is a mix of the two".

• (1150)

In the same speech, the minister also said: "Cutting back on the transfers in these areas has not contributed to better management of our health care system. They have only contributed to the cutbacks and to the fear that we feel now across the nation, as the middle income group, which is the largest group of Canadians, are frightened and afraid of what is going to happen to them in the future. Will there be a health care system for them, will they be able to get the drugs that they need at the prices they

can afford to pay when they need them, when they get to be a certain age. There is this feeling that perhaps the federal government is letting go of its responsibilities in this matter".

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, in the comments of the hon. member for Drummond, the statement is made that the federal government is attempting to keep Canada together by using medicare. The member should realize that medicare is not a vehicle to try to keep Canada together. It is one vehicle that has kept Canada together and makes it the best country in the world.

The five principles of the Canada Health Act are universality, accessibility, portability, public administration and comprehensiveness.

I ask the member which of those principles she does not support and why does she feel medicare is not working?

[*Translation*]

Mrs. Picard: Madam Speaker, the Bloc Quebecois agrees with the five main principles of the Canada Health Act. However, and I repeat, we do not agree with dumping the deficit onto the provinces by reducing transfer payments to them, while they are facing increased health costs. The government reduces the payments and then tells the provinces they have to manage the health care system as usual, as the act provided in 1977.

I myself do not want a two–tier or a two–speed system. However, if things continue the way they are going, the provinces will be forced to find a way to manage to serve the public and administer the health care system, because they cannot manage it with the cuts in the transfer payments. This is what is happening, and the government keeps on cutting. The effect of this, at the moment, is that it is better to be rich and healthy than poor and sick.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, it is unfortunate the Bloc Quebecois can only repeat that it is the government's fault. How is it that the Minister of Health in Quebec cut $454 million from his budget, when the federal government's transfer payment actually went up? The blame need not always be placed on the federal government, because provincial governments make their own choices. The choice the PQ minister and government made was to cut in the area of health care on the backs of the poor, just like you said.

Mrs. Picard: Madam Speaker, why did Mr. Rochon, the Quebec Minister of Health, have to cut his administration in order to continue to manage certain forms of health care? Because there was a shortfall of $8 billion.

An hon. member: There you have it.

An hon. member: That is the truth.

Mrs. Picard: In terms of health care transfers since 1982–83, Quebec will yet again be shortchanged by Ottawa, by $2.4 billion between now and 1997–98. Then, with the increase in health care costs and the cost of new technology, it is supposed to do more with less? How can health ministers ensure that the five main principles are applied if transfer payments and social programs are cut. I do not understand how your constituents are not fighting this. You have just cut social programs.

• (1155)

[*English*]

Mr. Grant Hill (Macleod, Ref.): Madam Speaker, health care is too important to be left to politicians.

I would like to quote the Prime Minister, as I did in the question and comment portion of the debate. The Prime Minister has said to all Canadians, in a public forum, that we must go back to basics. I would also like to quote the health minister when she said, in reference to the Canada Health Act, that we will enforce the provisions of the Canada Health Act but we will be very, very flexible.

On those two comments and those two reflections on health care I am in wholehearted agreement. That statement will come back to haunt me. I know I will be quoted as saying that I wholeheartedly agree with the Prime Minister and the health minister on all issues of health care. I agree with those statements in particular.

When I say that health care is too important to be left to politicians, how would I determine where health care should go? I would line up in these halls 100 high school students and I would make a speech in this Chamber, much as I am doing today. I would ask the health minister to do the same, and I would ask for the old–fashioned thumbs up or thumbs down on the proposals of the health minister and my proposals. I would determine whether or not I was on base with health care reform or whether the health minister had it right. It is the old Roman up or down. Maybe the pages could do it for me today.

If the Prime Minister and the health minister and I are so close on the issue of health care reform—those were basic statements, brand new statements, statements that have not been made in our country for some years—where do we differ? Frankly, we differ on the cause of the need for health care reform.

I will now go to a brand new survey from Statistics Canada on government spending. The figures I am quoting do not come from the Reform Party, they do not come from a strange source, they come directly from StatsCan.

In 1994–95 the federal government will spend $1,522 per person on servicing the debt. What will the federal government spend on health care per person that same year? Two hundred and sixty–eight dollars. That is the reason we stand in the House today debating the future of the health care system. Anyone who stands up and says that is not the reason is an ostrich, hiding his or her head in the sand, ready to be plucked.

Teenagers in Canada will not listen to that kind of nonsense any longer. Fifteen hundred and twenty–two dollars per person on debt servicing is squeezing the heart out of the $268 left for health care.

Reformers are looking for specific, positive solutions. To do what? To rip the heart out of health care? Not a chance. To preserve and save this most valuable of our social programs. Therein lies the problem. Therein lies the anchor. Therein lies the noose for health care.

My focus with these words will be the Canada Health Act itself. The health minister said: "I want Canadians to know that the Canada Health Act is alive and well and able to take on the challenges of the future".

• (1200)

I have another quote from Dr. Steven Stern of Ajax, Ontario: "We must recognize the financial crisis in most provinces that has rendered the Canada Health Act hopelessly obsolete and the fantasy of supplying all medical services to all of the people all of the time from ever escalating middle class taxation is a futile hallucination".

I believe the Canada Health Act is in trouble. I believe the Canada Health Act needs help. I believe Canadians will no longer allow rhetoric to judge whether the Canada Health Act will survive.

What has broken down in the act? I will talk specifically about provisions in the act that are failing. First, on portability, the act guarantees services provided to Canadians outside the country will be paid for at the same rate as if a person got sick in Canada. That is broken. Snowbirds who travel to Florida and come back to Ontario are paid $100 per day per hospital visit. There is not a hospital in Canada that can provide $100 per day service. Portability is broken.

[*Translation*]

In "la belle province", Quebec, there is a provision to the effect that each doctor is entitled to a certain portion. Here in Ontario, the portion is not the same.

[*English*]

Portability is broken and the minister knows it. The minister knows the Canada Health Act is falling down in portability.

On accessibility and reasonable access, where are we with reasonable access guaranteed in the Canada Health Act? One specific breakdown is that Manitobans are waiting 60 weeks for hip replacements when the norm is 12 weeks. Reasonable access is toast under the Canada Health Act.

Comprehensiveness is another plank of the Canada Health Act. How about the issue of what is medically necessary? Here we have provinces unilaterally deciding to take test tube babies off the medically necessary list and put on sex change. Those two things might be discussible under the provision of medically necessary. This is arbitrary and fragments health care across Canada.

What about the bill's provision—this is not one of the planks of health care but one of the very basic provisions of the Canada Health Act—that there will be a prevention of user fees?

In the House I have mentioned to the Minister of Health—this is not a unique thing to the province I will mention—that there is a hospital in Wolfville, Nova Scotia whose facilities were being shut down. It stated its facility was too important to be shut down. The province stated it could not afford the facility any longer but the staff was to keep it running. How were they to keep it running? By volunteer nurses, by a fee for the syringe, the local anaesthetic and the suture so that each patient who comes in with a laceration now pays for those basic facilities. Is it a user fee? Yes. Is it medically necessary? Yes. Is it the choice of the people in Wolfville, Nova Scotia? Yes. Should they be allowed to have that choice? Yes. It is their health; we should not be leaving this issue to the politicians.

• (1205)

The act guarantees, and this is not commonly known, reasonable compensation to practitioners who provide the services. I know of three provinces which have broken agreements with their medical practitioners unilaterally, agreements signed, sealed and delivered. Is reasonable compensation being given? The act is broken and there are no repercussions for that.

If the act is broken and I ask the minister to stand up and tell Canadians that what I have said is inaccurate or untrue, should the minister be protecting this most valuable act? I think she should. Her reaction is to reinterpret sections of the act. She has gone on to define the hospital to include private clinics. She has decided semi–private clinics do not deserve the funds they have been getting. That issue is one that we may argue a lot but this does not sound like going after the basic principles of the act to me at all.

We have been over funding provisions. I hear members of the Bloc say the federal government should not be withdrawing funding. There is no question in my mind the federal government has no choice. I do not think there is any point in going back and deciding the reasons for these choices. The federal government has no choice.

I listened to more rhetoric not so long ago in my province of Alberta. The Prime Minister says the Canada Health Act does not allow private health care. I shook my head when I heard that,

recognizing that almost 30 per cent of what is provided in Canadian health care is private.

I asked the Prime Minister about the Shouldice Hospital in Ontario for hernias, about totally private laser eye surgery, about physiosports medicine clinics, about chiropractic, about cosmetic surgery that has been taken out of the fee schedule, about laser treatment for snoring, sleep apnea and bad breath. All these things are available so close to the House of Commons privately and there is no room under the Canada Health Act for private health?

We have two tier health in Canada now. We will end up if we ignore the Canada Health Act, if we do not improve the Canada Health Act, with universal access to nothing. The $1,522 of debt servicing will choke that $268 and we will kiss it goodbye, and that will be wrong.

This is not an answer that comes from me but I am now elucidating the answer from my colleagues. My answer is to give sensible Canadians choice over their most important resource, their own health. That is why I would line up the 100 high school students.

A journalist phoned me the other day. He said: "I will ask you what you mean by your core essential services because I have asked a whole host of other individuals in Canada and none of them will tell me what they would take out of the core essentials. I know you will do it because you Reformers are not filled with political rhetoric yet". I had the opportunity to tell him some of the things I would take out.

For members opposite I will give a specific example of one thing I would take out of our broad health care coverage and put beyond the core essentials. This is actually being done in Quebec. The members of the Bloc will not be interested in this. Quebec has decided that psychoanalysis is no longer coverable under health care. Psychoanalysis is the treatment where one lies on the bed, the psychiatrist sits there and one comes in week after week for years on end to figure out what was the matter with one's psyche.

• (1210)

Quebecers in their wisdom, I give them credit, have said psychoanalysis is not something that should be covered under our core essential health care budget. They pay for psychotherapy which is much tighter, better controlled, involves looking after something like anxiety or suicide, possibly giving medication and a fairly rapid return to the workplace.

Outpatient psychotherapy is covered and with outpatient psychoanalysis you are on your own. You can either get insurance coverage or pay for it out of your own pocket. In their wisdom they are doing what Reformers are suggesting.

Will this be a big bureaucratic process? Not on your life. This is a process that will also be flexible. This is surely a process that our national forum on health should have and could have addressed.

I listened last night to the minister make a very good speech. It was tight and controlled. I really credit her for this. She said, using different words and phrases, virtually the same thing I am saying. There are things we are doing today in health care that are ineffective.

She said we must look at those things. That is what we are talking about. Define the essential core. Look at the things that are ineffective and set them aside. They are discretionary. They may well be covered by private sources, insurance or other sources.

We are not so far off. The rhetoric may put us a long way apart but we are not so far off. Evidence based issues, let us call them what I call them or call them what the minister calls them, core essential, evidence based; not so far off.

The national forum on health, which has people with vast experience from all over the country, should and could be doing this very thing today.

My time is rapidly drawing to a close. I hear delight from across the way. It is a shame because this debate in the House is so important and has not been done for so long. I will be disappointed if there is not a frank and open interchange on this.

There are other problems with health care beyond the federal portion. There are problems with accountability. There are problems with abuse. There are problems with our medical legal system and there are big problems with our drug costs.

Each one of those deserves a good, frank expose as well. I have colleagues who will talk about other innovations we think might have some benefit for health care, funding changes that might well be present. I ask each member to consider what will happen if we ignore the $1,522 for debt servicing versus the $268 being spent on our health.

Hon. Diane Marleau (Minister of Health, Lib.): Madam Speaker, I thank the hon. member for Macleod. As I listened to his speech I realized that we are a lot closer than perhaps is apparent in many cases.

I listened to some of the interventions the hon. member made and I will make a few statements to perhaps rectify some of the misconceptions out there.

I have not ever said there have not been problems and that there do not continue to be serious problems with other sections of the Canada Health Act. Portability and out of country portability is one of the areas we are working on. We are trying to reach a solution with provincial governments. We believe in working co–operatively with them.

When it comes to Quebec and the portability issue there has been considerable movement on the part of Quebec to address some of the problems of people from Quebec travelling to Ontario and not getting the coverage they should have.

• (1215)

There is an agreement of sorts in place to cover any treatment here in the Ottawa Valley or in the Abitibi section up north. I am hopeful, because I know that the Government of Quebec is extremely interested in serving the people of Quebec, wherever they travel. I would hope we can get some kind of an agreement on that in the near future.

When it comes to accessibility and reasonable access, there will continue to be waiting lists. Some provinces have done a lot of work to address that. Not to be discounted, some provinces have a central registry of where there are rooms available so that hip replacements can be done. As you well know, there are waiting lists, but often when the need is very great those people jump to the front. When they get access to hip replacement it is generally because their need is much greater. Although access is not always perfect, everyone works to address the problem.

The member has talked about a place in Nova Scotia, Wolfville. I do not have the particulars of Wolfville, but user fees and facility fees have been and will be outlawed. Just go back to my letter of interpretation in January. I would expect that Wolfville would be addressed by that letter of interpretation. If the member has any other information, please let us know.

There are a number of other points the member made, including Quebec's psychotherapists and what is happening in the province of Quebec. They are working with medical professionals to determine the medical necessity and what they will cover. That is the beauty of what is happening with the Canada Health Act. We encourage that.

These are the kinds of things that are happening across the country. When one province gets one thing right, others often follow suit.

The member spoke about the Shouldice clinic. Yes, it is a private clinic, but it is covered by the Private Hospitals Act in Ontario. There is an act in Ontario that governs that. Therefore, people do not have to pay additionally. They get access.

We have to understand that while we have a good system, it is not perfect. Any other suggestions the member may have would help us. One of the things he seems to be proposing, at least as I understand, is a system of user fees for certain procedures or items, which would be based not on need but more on the ability to pay. This is where we fundamentally disagree.

When a facility charges a facility fee and general taxpayers are paying the physician fee, they are in essence subsidizing queue jumping for those who have the money. That goes against our principles. I would hope it goes against yours, although it does not appear to do so. That is a tax on illness. That is not a fair tax, at least in my book. Perhaps the hon. member can tell us how he thinks a facility fee is fair.

Mr. Grant Hill (Macleod, Ref.): Madam Speaker, what has been missed in all of this discussion is unless we define the core essential we cannot decide whether or not a user fee has any place in our system. For discretionary, elective things, surely the minister would not deny those things to be done. That is why we need the definition. That is why there cannot be this airy–fairy situation where one thing is medically necessary in one part of the country and one thing is medically necessary in another.

On the issue of facility fees, the semi–private clinic, there is a philosophical argument on that specific issue. If the procedure is medically necessary, it must be paid for by public funds in Canada today. If the procedure is medically necessary and it is done outside a hospital and the costs generated to do that outside the hospital are not borne publicly, where should they be borne? I believe they should make no impediment whatever to the public system.

• (1220)

I ask the minister, although this is not interchange time, to find me a country—without using the U.S. example, which is commonly used and where that is not done—where that produces a problem.

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Madam Speaker, I listened with great interest to my colleague for Macleod. We had the opportunity of serving together on the Standing Committee on Health.

I would ask the hon. member what his definition of core is. He would know that there are criteria established presently from one province to another about what is included and what is considered outside those parameters.

Generally speaking, Canadians look on our medicare program as one that is accessible to all Canadians for good health care, regardless of their status in life. Surely my colleague is not suggesting that we should revert to a system that is dependent on how wealthy one happens to be, or a system such as the United States currently has, where we know there are literally thousands of people who are left outside the system.

I want to refer to one particular incident that I am well aware of regarding efficiencies. Of course we must change from time to time in order to be much more efficient. There is no question. That is why health care has to be upgraded continually from that perspective. That is exactly why the Prime Minister appointed the National Forum on Health to study that whole scenario.

Surely my colleague for Macleod is not suggesting that we open up to some other system, for example the system that is in the United States, which does not work. The medicare program is so important for all Canadians, and treats everyone from coast to coast on an equal basis.

Mr. Hill (Macleod): Madam Speaker, I appreciate the opportunity to respond.

Let me give the member another example of something I would take out of the core. It seems to be lost on the member that the core must be defined. The core has the essential things.

Although I have some expertise in this area, I do not pretend to be able to define the core perfectly. When health care started, there was no such thing as joint replacement. The first joint replacement literally came with health care.

The hip joint prosthesis ranges from $1,000 to $7,000. I would decide which of the prostheses is cost effective for Canadians and say that if you want a $7,000 prosthesis, pay for it yourself: we in the public system will give the Chevrolet prosthesis; if you want a Rolls Royce, you pay for it.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, I rise to speak with a mixture of emotions. There is some confusion, some humour, and some sadness.

I am confused that members of the third party would bring forth this kind of motion when it so clearly contraindicates everything they have ever said in the past during their campaign and even during their proposed budget earlier this year.

• (1225)

There is some pleasure because I am proud to be able to speak for the system of health care we are espousing in this country and in which we so firmly believe. And there is a little sadness because one of the movers of this motion is a physician and has shown such a lack of understanding of the system, the words, the terminology and the principles that medicare is all about. It saddens me that he should rise to speak to this motion when he so obviously does not understand the system. I would like to know why he does not understand it.

What we have heard is simplistic rhetoric. It is the kind of thing we have come to expect from the third party: there is always a simple answer; let us not confuse the complexity of the question, let us just throw a simple answer at it.

What is so simplistic about it and what is so rhetorical about it is in terms of the statement of the problem, which is not factual. The statement of the problem is not based on fact at all. As the Minister of Health said when she spoke earlier, the figures quoted, which indicate a decrease in the percentage of payments to the provinces from the federal government, are absolutely untrue. The statement talks about total health care cost. It does not show any understanding of what the cost the federal government contributes to, as written in the established programs financing, is all about. That cost is purely for hospital and physician services. It is not for the whole bailiwick of health care services, which each province has expanded or constricted as it feels it wants. That is not what the federal government sends the transfer payments for; it is purely for physician and hospital service. That is the first bit of disinformation that came about in this.

The second thing that is simplistic and rhetorical about the whole thing is the solution, the constructive alternatives we were given. They have absolutely nothing to do with ensuring efficient, universal, affordable, quality health care in this country. Universal quality health care is far more complicated than giving a cute, uninformed speech. It is a complex issue.

Let us look at the preamble of the speech made by the hon. member for Calgary Southwest. He talked about the fact that we already have a multi–tier system. That alone shows a lack of understanding of what is meant by the term comprehensive, which is one of the five principles of medicare. It shows a lack of understanding of what medically required services means. It shows a lack of understanding of what the terms universality and accessibility actually mean under the Canada Health Act. The hon. member did not even read the Canada Health Act. He does not even understand the definition of the terms.

The whole idea of having a multi–tier system is one of the usual red herrings that are thrown at us. Of course we have systems where there are always and have always been non–medically required services that patients pay for. They have always paid for them. If anyone wishes to have a face lift, they can always pay for one. There are many instances where people think they want something that is not medically required and they go out and buy it. That does not constitute a multi–tier system; that constitutes a system that operates outside of what the Canada Health Act defines as the five principles of medicare. The hon. member should go back and read the Canada Health Act.

The other thing the hon. member said in his preamble was that users should define full services. Users define full services? I do not know that many patients would want to define what an essential service is and what a medically required service is, because they are not physicians. They may want to participate in the decision making of what is appropriate in the treatment, but they would not want to define what is clinically necessary and clinically required for them. That is why they go to a physician or a health care provider. That alone seems to me to be a rather simplistic and very impractical solution.

What else do we have if we have started off with the first part of the motion being based on a false premise? The whole scaffold on which the argument is based is nothing more than

smoke and mirrors. It is a weak scaffold because it is based on lack of fact, lack of information, and lack of knowledge.

The hon. member said that we talked earlier on about the 50 per cent the federal government is supposed to transfer to the provinces.

• (1230)

As the minister and I said earlier, we were never supposed to transfer 50 per cent. In 1975–76 we transferred 39 per cent of total health care. That 39 per cent constituted a greater percentage toward hospital and physician services only which is where it was supposed to go. Therefore, the rest of it is nonsense.

That has not gone down a great deal when we look at the fact that in 1992–93 the total percentage of transfer has gone down to 32 per cent and the provinces have expanded their total pot. That again is a false presumption of what the percentages should mean.

There again I think the mathematics and the understandings were not done. If the figures were wrong and the assumptions were wrong, is the whole concept we are debating today wrong? It must be because it is based on a false assumption and a false concept.

Everyone is saying that we need more money for health care. The concept of more money does not seem to sit well with the third party. The leader of the third party said in his budget speech and in fact said in Saskatchewan that he would transfer more tax points to the provinces. He would give them more money.

Simple mathematics, and I am not a mathematician, tells me that in taking away from one side of an equation there is surely a corresponding addition to the other side. Therefore, if we take money away from our big pot to give more tax points to the provinces, what the hon. member did not factor in in his budget speech is that he is going to be $10 billion deeper in the hole in the deficit. How does that make sense with fiscal responsibility and cutting the deficit to zero in one year that we were talking about? It does not make sense. None of it makes sense.

It is widely recognized as a fact that anyone who understands health care economics knows that throwing more money at health care is not the answer. In fact the quality, the outcome, the efficiency and the effectiveness of a health care system does not depend on money. If it did, the United States which spends the most amount of money not only per capita but as a percentage of GDP on health care would have the best health care system in the world. However, it does not.

At the moment the country that ranks the highest for having the best health care system in the world is Japan. It spends a lot less money than Canada spends as a percentage of GDP. Money and a good system do not equate. Money in a health care system does not equal outcome.

We know that many other things determine whether people are healthy or not. They have to do with socioeconomic factors, environmental factors, lifestyle factors and quality of life factors. None of those things are part of giving people more medical care. We can give people more medical care and we will not decrease those outcomes one whit. Throwing money at the health care system is not the answer.

The challenge is how wisely we spend the money we put into the health care system so we can use the money for the socioeconomic and other issues that determine health. It is one of the big challenges we have to look at when we talk about health care.

Let us look again at the third party using money as a criteria for effective and efficient health care services. If we talk about that then we are talking clearly about the fact that if one cannot afford the health care system and more money has to be thrown at it then people must pay for the health care system. Therefore, we are back to this hidden or not so hidden agenda the third party is talking about which is in fact finding a way to get the user, the person who is sick, to pay for their health care.

It is a not so clever plot to say the system needs more money, the system needs more money, the system needs more money. Then we are going to have to say that if we are going to balance our budgets, and we cannot find the money from government, let us charge the people, the ill. Let us tax them. That is what is so underhanded and so disturbing about this motion, the whole concept that is underlying what we are talking about here today.

It is a typical mentality that comes from people who espouse a south of the border policy on health care. We look at the United States and the kind of health care it gives. Yes, there is a two tier system there and yes of course people are allowed to buy health care but it is based on one criteria, the pocketbook. Those who can afford it can have unlimited access to health care. Those who cannot afford it, we see what the outcome is.

• (1235)

At the moment the United States is sixth among the developing countries in its health care outcomes. It does not have the health care outcomes of a developed country because those who cannot afford it, with poverty being the major determinant of health, those people are sicker.

That is the way the Reform Party would have us go and it concerns me. In fact, if we give the rich unlimited access to health care what we see is that the number of interventions and the amount of laboratory tests are greater as a percentage of users in the United States than it is in Canada. The people who are using them more are based purely on the people who are in a

high socioeconomic bracket. In other words there are people who are having care and interventions.

Open heart surgery is one example. The rich are getting more open heart surgery. It does not fulfil the criteria of whether they need it or not. The fact is they want it, they want to buy it and they are getting it. I do not consider that to be good medicine and I do not consider it to be good health care. I do not think we want that situation in this country.

Let us look then at the solutions the third party recommended. The solutions it talks about are core services. We all know on reading the Canada Health Act and if we understand the principles of medicare, that the definition of medically required services is a provincial jurisdiction. The provinces have to define medically required services. This is a good thing. The provinces are where the regional disparities lie. Different provinces have different health care problems. Different provinces have different needs.

We talk about bottom up care. It is appropriate to have the provinces deciding. That is what we have tried to do when we have discussed how we give the provinces more decision making in health care. It is to allow them to provide appropriate services for people where they need it, when they need it and how they need it. They know that better than the central government.

We believe our role to play as the central government is to bring about and co–ordinate what it is we see within the principle that those medically required services are based on clear clinical guidelines. This is why the health forum was set up. The health forum is dealing right now with how we define, how we look at outcomes. It is dealing with how we look at what is the care and the criteria necessary to provide those outcomes so that we are not guessing as the hon. member for Macleod would have us do and set all sorts of criteria for who should get it and what a core service is.

The hon. member for Macleod has decided that a core service should be something that is on a list of items. A core service is not an item. If we take for example the item of ultrasound for pregnant women and say that only one ultrasound will be done on a pregnant woman, that does not make any sense. Some pregnant women clinically require more than one while others only require one.

We need to look at clinical guidelines when we talk about core services, not whether the item is a good idea or not, not to generically define items. That will not give us good care.

Nor should it be like the hon. member for Macleod said to the Calgary *Herald* when he defined who should get health care and who should not and that if a woman in her past history had been promiscuous and had her tubes blocked she should not have a tubal ligation paid for by the government. What sort of subjective, moral, paternalistic health care system are we talking about here when we want to define core services that way? That concerns me a great deal.

We also hear terms like private insurance. We all know from the United States and Robert Evans of UBC has shown us very clearly that multiple insurance systems and multiple payer systems are more expensive. They are more inefficient and in fact do not create the right kind of outcomes.

The United States has multiple payer systems. The administrative costs are 25 per cent of the health care costs. Recent studies have shown in the United States that if that 25 per cent on administration could be rolled into a single payer system, there would be enough money to give health care services to the 37 million Americans who do not have it right now. If the money spent on Massachusetts Blue Cross alone could be decreased in administration there would be universal health care in the United States.

When we talk about health care and about multiple systems, we are talking about greater costs. We are talking about defining who can no longer be insured because they are now chronically ill.

In the United States someone who is chronically ill becomes uninsurable. Even if that person has millions of dollars to buy insurance, he cannot buy it. That person has to pay out of his pocket. That is okay if he has millions of dollars but someone who is a middle income worker cannot.

• (1240)

The other term "benefactors to pay" as I see it is a nice term for user fees. We are hearing all these little words that have been put in so that it sounds wonderful. We are talking about a two–tier system that in this country does not define what we see as health care.

When we talk about health care we are talking about looking at how we can save money on health care costs. Recent studies at the University of Ottawa and Judith Maxwell have told us that we can save $7 billion a year in health care costs if we do some real things. For example we could shift from hospital based care to community based care. We could look at how we set clinical guidelines for care. We could look at how we help the determinants of health so that the socioeconomic factors that create illness in people are decreased.

There are many things we can do to decrease health care costs without changing the five principles of medicare, without having to make people who are sick pay. The only way the third party can see for solving the problems is to define core services with the kind of hidden agenda it is defining. Reformers are talking about user fees and multiple insurance systems.

What is wrong with that solution is that every system of health care in the world is based on some sort of rationale. The rationale in this country has to do with clinical need and that is the way we want to keep it. I do not ever want us to see where the rationale for our health care system is the pocketbook. There-

fore I strongly speak against first and foremost the problem which is not factual and also the solutions put forward this morning by members of the third party.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Madam Speaker, I listened with great interest to the comments made by my hon. colleague. I know that she is very knowledgeable about health issues and that she really wants to ensure that the Canadian health care system is in the best of shape.

I would, however, like to remind her and this House that medicare was invented by Quebec a few decades ago through the good services of Mr. Castonguay. That is why we as Quebecers care about maintaining the essential characteristics of a good health care system.

Of course, such a system needs predictable financing. The Canadian provinces and Quebec have had to deal with the cuts in established programs financing that have been carried out for over a decade, in violation of the 1977 agreement promising reliable funding to the provinces; they had to make do and, in some cases, even improvise in health care matters. That is where the shoe pinches.

By redefining the transfer of taxpayers' money to the provinces, the federal government has gradually destabilized the Canadian health care system. In fact, the federal government has, unintentionally, I admit, contributed to this decline of the Canadian health care system, which is already leading to a two–tier system.

Basically, we have a right to ask the following question: Why does the federal government not transfer to the provinces and Quebec all the tax points linked to health care financing so that the provinces and Quebec can determine themselves the best way to provide services in compliance with the five fundamental principles of health care?

I would like my colleague to give me her opinion on this.

• (1245)

[*English*]

Ms. Fry: Madam Speaker, I thank the hon. member for rewriting the history of medicare a bit. Some people would argue that it was Saskatchewan and others would say it was Quebec, but that is a moot point.

The hon. member mentioned money. We keep hearing about money being a factor in providing effective health care. There is an English saying that necessity is the mother of invention. Because of necessity and because there has been very little money, provinces have begun to be inventive. It is not an invention that has decreased the quality of health care.

Something that has been necessary for many years which neither the provinces nor the federal government faced up to was that we needed to change our health care system to make it more appropriate to the needs of people and to make it more effectively and efficiently managed. As a result of the necessity, people are beginning to manage the system.

The amount of money put into a health care system by any study of any country does not equate to quality of care. Otherwise, as I said, the United States would have the most wonderful health care system in the world because it spends the most money. Yet Japan, which spends the least, has the best. There are more things that determine the health status of a country and the health of individuals than money spent on intervention and on medical care.

I spoke as well about the ways in which we could decrease the cost of the system, improve accessibility and improve the ability of patients to make decisions within their own health care system. That is by shifting from acute care to community care, by shifting and creating guidelines for care, by looking at outcome analysis and by setting up technology assessment, by doing all the things we are learning to do that some provinces have already begun to do.

Judith Maxwell of the University of Ottawa is predicting in her report that if we continue to do such things we will need to put less money, almost $7 billion less, into health care. It is very important to understand that and not fall prey to the rhetoric that continues to say that we should keep throwing money at health care in the hope that it will stick somewhere. It never has and it never will.

All the studies on mortality, morbidity and quality of life are telling us that is not what will create the outcome we are looking for.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, what does hon. member think about the recent comments of the British Columbia Health Association about being significantly concerned about access to essential health care services in British Columbia? This is not something occurring solely in British Columbia. As the member well knows, it is occurring across the country.

My party has proposed an alternative form of the Canada Health Act. We would allow the provinces to have such structures as private medical clinics. Not a dollar from Canadian taxpayers would go toward paying for it. Members of the public would have the choice to pay for the services, whatever they happen to be, in private clinics. We must bear in mind that the services would be offered to anybody in a public hospital or a clinic.

What is so wrong? How will private structures involving the exchange of private moneys impede the ability of the public sector to provide services? Also, why does the government have such an aversion to choice when we have choice in almost everything else in our lives?

Ms. Fry: Madam Speaker, I thank the hon. member for his question.

What is wrong with setting up private clinics so that people who want to pay can pay? We only have to look at the United States where people who want to pay can pay and buy as much as they want whether or not they need it and people who cannot afford it have inadequate and inappropriate access to health care.

• (1250)

A major determinant of health is socioeconomic status. Poverty is the greatest determinant of health. Poor people need more services. We are basically saying that we have some false savings here. We will not save any money. The people who need the services more will be the people who cannot afford them. They will still be going to the public sector. That is the first point.

Second, if we look at the United States model, private clinics have tended to create massive costs and inefficiencies in the system. They have taken away clinical autonomy from physicians who no longer have the ability to choose what they do for their patients but have to ask a non–medical person, some insurance adjuster, what they should and should not or can and cannot do. That is not what I consider to be choice.

We have choice in this country. In the United States they are not free to choose a physician. They are only free to go to a physician who is under a particular insurance plan and works for a particular insurance company. In Canada we are free to choose a physician anywhere and everywhere we like.

We have what is known as access to anyone we want to see. That is choice. In this country we are free to go to any hospital we choose. We are free to have a bed in the hospital next to anyone we choose to be with. We do not have to go to one for the poor if we are poor. We can sleep under a bridge or lie next to some multimillionaire in a Canadian hospital.

What the member is considering is wrong. If he does not believe me, let him think about what happened in the United Kingdom. I did my medical training in the United Kingdom. Its wonderful easy answer was that it would take care of the poor and those who could pay would pay. We have seen a two–tier system in which the poor have been relegated to second rate medicine. Physicians do not want to work in the areas where there are large poor populations. The United Kingdom is sending for physicians from developing countries to go there to provide care. That does not create equality of care. That is what is wrong.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, my colleagues will be dividing their time from now on.

It is with great sadness that I am here today to speak on the motion. It is with great sadness and anger that I listened to the response of the government to the most important thing in people's lives, their health.

The government continues to put forth the fantasy that medicare can continue in its current form. This is criminal, reprehensible and an outright lie. The reality is that medicare is like a ship with holes in it that is sinking with its captain, the government, saying all is well. Unfortunately when we look inside where the people are, the patients, we find that they are dying, suffering and in pain. That is exactly what is happening in health care in Canada today. It is a profound tragedy and should not occur in a country such as ours.

The provinces have found that demand is increasing. Costs are escalating with an aging population and more expensive technology. Also revenues are going down as was demonstrated in the last budget with an $8 billion decrease in transfer funding from the federal government.

Who is caught between a rock and a hard place? In reality it is the patients who are sick, who are unwell. When they go to hospital they discover that essential health care services cannot be provided in a reasonable amount of time.

The provinces are hamstrung by the current Canada Health Act. They are forced to engage in rationing. I will give some real life examples from across the country. In Victoria, B.C., where I live, 40 per cent of hip replacements for elderly people who are in severe pain take 13 months. The British Columbia Health Association is very concerned about the critical lack of access to essential services.

In Prince George a very interesting and sad thing happened. People going for surgery were given the option of receiving autologous blood transfusions, which allow people to have their own blood taken and purified for use in their next surgery. The cost charged to each patient was $150. The reason for that was the Red Cross and medicare system could not pay for it. They gave the patient the option of using their own blood in a safe fashion that would not subject them to HIV, hepatitis and a number of other diseases.

• (1255)

Two months after this came out the Ministry of Health said that it could not be done, that patients could not be charged for it. It prevented the Prince George Regional Hospital from doing so. Now patients have to get packed cells for blood transfusions at $500 a unit.

In Alberta it takes three weeks for emergent and urgent open heart surgery. The surgeons there say it is a miracle so far that nobody has died, but it is going to happen.

The Prince George hospital, because of the funding cutbacks that have been foisted upon the provincial government, is forced to cut back its operating room days by 12 days a year, knowing full well that it has hundreds of people waiting for urgent surgery.

The minister said that doctors were returning to Canada. I had a conversation with one of her close advisers the other day who said that it was the bad doctors who were leaving the country. He asked: "Isn't that so?" Half our neurosurgeons leave the country. Eighty per cent of orthopedic surgeons in some cities have left as well as 50 per cent of obstetricians and gynecologists.

Dr. Joel Cooper of the University of Toronto, a world famous cardio–thoracic surgeon, left. Dr. Munro from the Hospital for Sick Children left. These world famous individuals left the country not because they wanted more money but because, in their words, they could not practise the way they were supposed to and were sick and tired of having their patients suffer. That is not adequate health care.

The reality is that the population is increasing and costs are rising. The minister said that we do not have a two–tier system. What nonsense. A billion dollars every year goes to the United States. Why? It is because Canadians cannot obtain essential health care services in a timely fashion so they go to the states. Why do we not keep that money in Canada?

The minister said that private expenditures were increasing. Of course they are increasing. Why? It is because people will not wait for the current public system to provide their health care services. They do not want to be in pain and they do not want to die. The government is forbidding them from doing that and is not accepting the fact that it cannot provide essential services in a timely fashion. That is a travesty. It is also extremely arrogant for the government to tell the public that it is forbidden to do that. In effect the government is sacrificing people's health on the altar of a dead socialist ideology.

We must recognize the financial crisis of today and the decrease in funding. We must recognize that people cannot be taxed more and that demand is going up. We must recognize that the Canada Health Act is hopelessly obsolete and unable to provide the same health care services to all people all the time, especially essential health care services. Sick people are in effect dying.

We must move to a new era. We will present constructive alternatives. Let us make a new made in Canada health act. It should not be one from the United States or one from England but one from Canada. We do not want an American style system. There is no resemblance whatsoever in what we propose to the system south of the border.

First, we must get the federal government, the provinces and the people together to define essential health care services for which all people across the country will be covered regardless of income. We may want to look at the Oregon model to begin with.

Second, let us allow the provinces to experiment with alternative funding models, such as private clinics, private insurance and the like. Why? It is because the system needs more money to provide health care. It is true that it needs to be revamped, but it also needs more money to reflect our current fiscal crisis and fiscal crunch in health care.

• (1300)

This is not a threat to medicare, rather it will make it better. What is so wrong with enabling private clinics to provide private services in the private sector where only private dollars will be exchanged? It will not in any way affect the public system.

In fact the demand on the public system will go down so that those people who are in this system will be able to get essential health care services in a more timely fashion. Is it a two–tier system? Yes, but we have one now. Is it unequal? Yes, but it provides for better access for all people regardless of their income. It ensures quicker access to those essential services that Canadians are not receiving now.

It is time to move forward. It is time to move with courage. It is not the time to delve into a morass of ideology but open our eyes and work together. My colleagues and I are more than happy to work with the Minister of Health in the interests of the Canadian public and the health of Canadians, to develop a fair and equitable solution and to provide better health care for all now and in the future.

We are not the enemy. We are merely trying to ensure that we have an improved system from coast to coast. Let us set up those national standards. As individuals we are not going to do that here, nor should we. We cannot nor should we play God. This must come from members of the public. It must come from the provinces. It must come from health care professionals. It must come from the federal government.

Let us ensure that we have portability for these national standards, that we have comprehensive coverage for essential health care services for all people, that we have good public administration of essential health care services, that we have universal coverage for essential health care services for all Canadians.

Last, let us ensure that we have essential health care services provided in a timely fashion. The Canadian people are not receiving their essential services in a timely fashion. One only needs to go into the field, go into the hospitals, to see the people who are not receiving them. Morale is the lowest it has ever

been, as is the pain and suffering on people's faces when told they have to wait 13 months potentially for their hip replacement or three months for their urgent heart surgery. That is not good medicine. That is bad medicine.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, typical of the third party is the sentimentality, the rhetoric, the lack of any real fact but let us spew it anyway. Let us do the emotional dance on people.

I would like to ask the hon. member if he could give me clear statistical data which shows that the outcome in acute care is not one of the highest and best in the world, that people who clinically need care are not getting it.

We have to be very careful to clear the wood between need and want. Health care is not a marketplace commodity. The difference between what a patient needs for appropriate care and what a patient thinks he or she wants is very different.

We provide the best health care in the world that patients need. When we talk about people needing urgent care and not getting it I would like to ask the hon. member if he can give me clear examples of people who have increased mortality because they need acute care and do not get it. That, Mr. Speaker, is not true.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, I cannot believe the hon. member is saying what she is saying. I will repeat again, this is not rhetoric.

• (1305)

I just spent half of my speech giving the government constructive solutions on what to do. My colleagues, Dr. Hill and Mr. Manning have spent the last hour giving constructive solutions to the government.

The Acting Speaker (Mr. O'Reilly): I have to interrupt the member. Although he is complimenting them on doing a good job, it is not the custom of the House to name members but to use their ridings.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, we have been giving constructive solutions. At the end of my speech I stated that members of the Reform Party would be more than willing to help get the Canadian health care system back on its feet and to ensure that medicare is provided in a fiscally sustainable fashion in the future. Obviously somebody is not listening.

We talk about essential health care services and who is not getting them. I can give the House cases. I have just mentioned the three–week waiting list for urgent heart surgery in Alberta. If that is not an essential health care service and irresponsibility I do not know what it is. The physicians who are dealing with these patients—the member knows because she is a physician—would be more than happy to inform her that this is completely inadequate. This is not something happening only in Alberta but it is going on across the country. In Ottawa it is a five–month wait for open heart surgery and in B.C. it is a thirteen–month wait for people who are in severe pain.

What the member and the government have been saying is that the government will decide what the patient needs. The government will decide what the public can and cannot do with their health care system and for their health. How arrogant to do this when health care is that which is most important to all of our hearts. That is irresponsible.

I would be more than happy to provide a long list to the hon. member of situations that demonstrate the fact that our current medicare system is not working.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I am pleased to rise to speak today to the Reform Party's motion on the future of health care and medicare in Canada and the nature and extent of the federal involvement in that. The motion states:

> That this House recognize that since the inception of our national health care system the federal share of funding for health care in Canada has fallen from 50 per cent to 23 per cent and therefore the House urges the government to consult with the provinces and other stakeholders to determine core services to be completely funded by the federal and provincial governments and non–core services where private insurance and the benefactors of the services might play a supplementary role.

The Reform Party believes that a fundamental responsibility of government is to safeguard the well–being of Canadians. Principle 10 of our statement of principles says: "We believe that Canadians have a personal and collective responsibility to care and provide for the basic needs of people who are unable to care and provide for themselves".

The Reform Party also believes that the current health care system is inefficient and insufficient in providing this essential service to Canadians. The current system must be reformed to guarantee the continuation of care and the ability to address the future real demands of our health care needs for everyone's benefit.

As for the benefits now of parents, my parents, the people in the House, people across Canada, our children and our grandchildren, we need that ongoing credibility of a system that right now is itself sick.

Throughout my speech I will compare and contrast the Reform and the government approach toward securing the future of our health care system. One area that reveals this contrast between the Reform approach and the government approach is the issue of consultation. The motion urges the government to consult with Canadians and health care stakeholders about the future of medicare.

In its much touted red book, the Liberal Party committed itself to "establish a national forum on health in partnership with the provinces and health care experts to find innovative ways to control health costs while keeping medicare publicly funded and accessible for all Canadians". It sounds good but to this day the government has broken its promise. It has not fulfilled the commitment it has made, a commitment to consult with Canadians about the future of medicare and the roles that will be played by the federal and provincial governments and other health care stakeholders. Because of the heavy handed approach of the federal government in this area, the provinces have refused to participate.

• (1310)

Consultations are not always what they appear to be or what they are announced to be by the government. For instance I would like to remind the members here of the travelling committee that was to consult Canadians on social policy reform. What happened? A flawed attempt and a report that was delayed and delayed and ultimately shelved.

Reform on the other hand has long advocated that the federal government actively consult Canadians on vital and important national issues such as the health care system. We believe consultation must take place at all levels, with patients and users, with physicians and health care professionals, with administrators of those systems and with provincial governments. We do not believe in the top down, Ottawa says, approach. We believe that Canadians need to be part of the decision making process, especially in an important system like health care.

This Reform commitment to consultation is reflected in the motion being debated today recommending that a consultative process about the future of health care be actively and honestly pursued.

Another area that reveals the contrast between the Reform and the government approach is the area of federal funding. As noted in the motion, federal funding for health care has fallen from 50 per cent to 23 per cent over the last years.

Health care was originally implemented in 1957 with the Hospital Insurance and Diagnostic Services Act. The federal government adopted this act under pressure from the provinces, some of which had provincial insurance schemes. The act established a shared cost system providing universal coverage and access to hospitals to all residents of participating provinces. By 1961 all provinces had joined this plan.

In 1977 this act was replaced with the Established Programs Financing Act. This transferred money from the federal government to provinces for both health and post–secondary education funding. In 1984 the Canada Health Act came in prohibiting extra billing and user fees and thus imposed financial penalties on provincial governments which would violate these things.

The history of health care politics is essentially the history of the federal government demanding and expecting more and more from provinces and providing those provinces with the diminishing ability and the flexibility to meet those expectations.

The present government has been in office for less than two years and it is definitely continuing this trend. In 1995 the government announced it was replacing the established programs financing plan and the Canada assistance plan with the new Canada social transfer. Under the previous system this money was transferred separately. The Canada social transfer will be a block fund provided through cash payments and transfer points.

Under the new system federal funding for health care will be reduced. In 1995–96 the federal government will transfer to the provinces some $29.7 billion, approximately at the same level that was the case for 1994–95 funding. Under this new system funding under the Canada social transfer for 1996–97 will be reduced to $26.9 billion and further reduced in 1997–98 to $25.1 billion. The government's approach to reforming health care is to cut funding without consulting or receiving input from Canadians.

In February Reform announced a taxpayers budget prior to the government's budget. In it we would give provinces additional tax room through the transfer of tax points, providing that the provinces participate in an annual federal–provincial health consultation. These regular consultations would ensure a two way communication between the two levels of government which would benefit and make better our health care system.

A first priority between the federal government and provinces would be to agree on core versus non–core services. Core services would be required to be maintained at a certain and a common standard across the country. Such things that would be necessary for core would be deemed desired by most Canadians and required by the key players in the health care field, rather than bureaucrats in Ottawa.

These services must be financially sustainable and available over a long period of time. All such services would be covered regardless of Canadians' ability to pay. Non–core services, on the other hand, would be decided also by Canadians and would be those the federal government does not have the responsibility to fund, but would be the responsibility of private funding or through insurance. Reform's approach is bottom up, not top down consultation.

• (1315)

As we would reduce federal cash transfers by some $800 million we would at the same time increase revenue levers and flexibility for the provinces with a transfer of tax points to those

provinces so that over time they would raise more revenue to be allocated to their health care system.

Funding for health care systems would increase over the medium and long term, steadily into the next century. This would give greater peace of mind to Canadians. It would give better flexibility to demoralized provinces and the result would be a better medical system for everyone. Our approach safeguards health care for the future while the government's approach leaves the future of health care uncertain in reality and in the minds of Canadians.

The shortfall in funding and uncertainty is of particular concern to residents of B.C. The government's planned federal funding for health care in B.C. does drop significantly. Federal transfers in 1995–96 to B.C. are approximately $3.6 billion. This is funding for health care, education and welfare under the Canada assistance plan and established programs financing. In 1996–97 under the new Canada social transfer scheme funding to B.C. will drop to $3.2 billion. Clearly something has to give. Clearly such an approach will put the resources of the provincial government under great strain.

I have heard some comment today about simplistic rhetoric. I recall the government during the last election using what I would say is worse than simplistic rhetoric, scare tactics. I remember signs within my riding: "Save Canada—Save Medicare". That kind of rhetoric when the government now puts our medical system at risk is a testimony to what I say is unfair representation by the government.

The Acting Speaker (Mrs. Maheu): Unfortunately the time has expired. Questions and comments.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, the hon. member made the comment that provinces obviously do not like the system and the way the Canada Health Act was imposed by the government on British Columbia when it was breaking the act.

I would like the hon. member to name one province that has not supported all the principles of the Canada Health Act roundly within the last four months. I would like to know which ones have not supported the federal government in ensuring the Canada Health Act is effective and taking whatever steps are needed. All of the provinces, as far as I am concerned, have supported the concept. They believe in the system and in the Canada Health Act. They support the five principles.

The last meeting of provincial health ministers with the federal health minister reiterated that. Alberta said it will support those principles.

Mrs. Hayes: Madam Speaker, I do not want to look to the past but to the future concerning the workability of the Canada Health Act and whether it is the provinces or Canadians who look to the care of their health system.

I have talked to health professionals in my riding and they are wondering how certain services will be addressed. I suppose we could get into debate. Do Canadians want unlimited access and attention for any or all complaints or health concerns, a system that gives service to all the people all of the time? Do they want long waiting periods? These kinds of things from the citizens of Canada are coming to provincial and federal tables to be addressed. What we see is a system which will not be able to answer these things in future years.

• (1320)

I know of men and women facing uncertainty. They are waiting for tests to determine the extent of an undiagnosed situation, perhaps cancer. They have sleepless nights. Seniors are waiting for months with a decreased ability to walk or breathe while they wait for operations.

I do not see how the government can say the present system will continue to work with decreased funding to the provinces with inflexible guidelines which will not allow caregivers to give the care needed by Canadians.

Ms. Beth Phinney (Hamilton Mountain, Lib.): Madam Speaker, the hon. member says she does not believe in top down Ottawa directives to health care authorities in the provinces. How exactly does she see the Canada Health Act and its five principles of accessibility, comprehensiveness, universality, portability and public administration as constituting top down direction? The provinces and the territories administer the health care system, not Ottawa.

Mrs. Hayes: Madam Speaker, I thank the hon. member for her question. Rather than a constant delivery of services, what we see in the health care system are differences between provinces. There are different expectations among users at the present time.

This would probably be more focused on the real needs of Canadians if Canadians had a part in the process of deciding which services they want to fund. For instance, we have heard today that Quebec is no longer funding psychiatric services. I know Canadians who expect that service to be funded. There are other parts of Canada in which funding for abortions is available. I know Canadians who disagree with that. Is it a top down decision or is it a grassroots decision that these kinds of procedures are being funded?

It is in those kinds of areas where—

The Acting Speaker (Mrs. Maheu): I am sorry, the time has expired.

Ms. Maria Minna (Beaches—Woodbine, Lib.): Madam Speaker, I am grateful for this opportunity to talk about medicare and the Canada Health Act. I want to explain how and why the government supports medicare and why we on this side of the House will continue to support it.

The Reform Party asks whether we have the will to uphold the principles of the Canada Health Act. There are no grounds for dire predictions that the federal government will not be able to uphold the Canada Health Act or that Canada's health care system will disintegrate as a result of the budget.

Let me remind the House how clear the budget speech was on this matter. The Minister of Finance said no change would be made to the Canada Health Act. The Minister of Health was equally clear when she spoke to the Canadian Hospital Association last March: "There is no change in the government's commitment or in my commitment to uphold and enforce the principles of the Canada Health Act". As the Prime Minister said in Saskatoon, for Canadians these principles are not negotiable.

The new transfers will be a block funding arrangement. That may worry some members but let us not forget that block funding for health and post–secondary education is 18 years old. The established programs financing funding mechanisms put in place in 1977 were a block funding arrangement. There is no requirement for the provinces to spend the money on health. What there is and what was nailed down in 1984 when the Liberal government passed the Canada Health Act is the requirement that provinces deliver health care services in compliance with the five conditions of the act or face a deduction from the money transferred to them.

Nothing in the budget will change the government's technical ability to enforce the Canada Health Act principles. The enforcement mechanism remains the same. If deductions from transfer payments are necessary they will be made.

• (1325)

Canadians can rest assured that Canada's social and health transfer will not reduce federal ability to enforce the principles. We will enforce them because these principles of universality, accessibility, comprehensiveness, portability and public administration are ultimately rooted in our common values. They are Canadian values such as equity, fairness, compassion and respect for the fundamental dignity of all. We will also enforce the principles of the Canada Health Act because they support an economically efficient health care system.

It is worth reminding opposition members the principles of the Canada Health Act are not just words. They have meaning. I want to touch briefly on each of these principles.

The first principle is universality, although residents in a province must be insured by the provincial health plan to receive federal support. What this really means is that we all must have access to services. People cannot be deinsured because they might be costly for the system to cover. We cannot be turned away at the hospital door because we have not paid our quarterly tax bill or provincial premium. If we need health care we will be treated the same as anyone else.

Accessibility on uniform terms and conditions is the second principle. It means we should not face any financial barriers in receiving health care: no extra billing, no user charges, no facility fees, no up front cash payment. If the service is medically necessary we will get it at a time defined by medical considerations, not by the size of our wallet.

Next is comprehensiveness. This principle recognizes Canadians have a range of health care needs and that those needs should be met. Scratch the surface a little more and we see that comprehensiveness again means we practise fairness. It would not be fair to ensure only some medically necessary services and not others. I do not believe we can, nor should we try to, choose at the federal level which service is medically necessary. We should continue to interpret the Canada Health Act as required coverage of all medically necessary services.

The government will continue to take the position that if a province ensures any part of the cost of a service, it is an indication it believes it to be medically necessary and all of the costs must be covered.

Justice Emmett Hall in his original royal commission on medicare recommended a very comprehensive package. Liberal governments of the 1960s, 1970s and 1980s accepted the concept of comprehensiveness, although not quite as broad a concept as Justice Hall's. Liberal governments in the 1990s will not turn their backs on this principle.

The fourth principle is portability. It means Canadians maintain their health plan coverage when they travel or move. The portability principle is rooted in one of the fundamental elements underpinning our federation. It recognizes our right of mobility. Canadians are free to work and travel anywhere in the country without fear of losing their health insurance coverage.

Portability is what makes our national health insurance truly national. Each separate health insurance plan may be provincial in origin but is recognized nationally in every province across the country.

The fifth principle is public administration. Our health insurance plan must be operated by provincial governments on a not for profit basis. In my view this principle never seems to get the same attention as the others but it should. It is at the core of our ability to contain costs in the system and thus to deliver quality care at an affordable price.

One would think that of all five principles, the Reform Party would be able to relate to this one. Public administration is the means by which we ensure all the other principles. When health insurance is operated and funded through government, we can guarantee that health care is universal, accessible, comprehensive and portable because we have direct control over it.

It is through public administration that we also demonstrate our collective responsibility for our health care system. Canadians are responsible for paying for their health care system. We do it collectively through our taxes. We pay so that everyone can benefit according to need. We have agreed to provide this most essential of human services together. We must not lose that.

Public administration also demonstrates something else about Canadians, our pragmatism. We want value for money and administering health insurance publicly is the best way to get it in health care. We need only look to the experience of our American neighbours to compare the efficiency of public administration with private administration.

Not only does public administration make sure more of our health care dollars go toward patient care, government can be more successful than the private sector in keeping health care costs under control.

• (1330)

In 1993 we spent about $72 billion on health care. This represents 10 per cent of our gross domestic product. The public component of that 10 per cent has been growing at less than 2 per cent. Compare that to private health spending, which has been growing at 6.4 per cent.

Over the last three years per capita spending on the publicly administered part of our system has been declining. Since our GDP has been growing, it is safe to predict that in 1994 and 1995 we will come in with less than 10 per cent of GDP devoted to health care.

Saying the federal government wants to maintain the principles of the Canada Health Act is not enough. We have to know the public is behind us. We all know that as politicians we cannot escape the will of our constituents. They put us in office and they can take us out. The same is true for the government. Canadians are all saying one thing to us very clearly: they want us to enforce the principles of the Canada Health Act.

In Canada's health care system there are no first or second class citizens. We enjoy rights and privileges as Canadians that are the envy of the world. We can live wherever we want in Canada and have access to health care when we need it.

The many values that make up Canada's social fabric are reflected in the five principles of the Canada Health Act. They reflect the Canadian concern for justice and equity in our health care system and they are not going to disappear. Canadians, including I am sure everyone in this House, will not allow that to happen.

As I said a moment ago, we only need to compare ourselves with the United States. They have been trying for years to get a health care system. They have a private health care system that people purchase from private companies. They spend between 13 per cent and 14 per cent of their GDP on health care. What does this extra money get them? There are 38 million people who are not covered at all, and millions more are minimally covered. That does not sound like a great exchange: more for less. Therefore, I do not see what good privatizing our health care system will do.

I also want to point out there are countries that have allowed extra billing. I know of one, Italy, that has allowed and allows to this date extra billing and private clinics. However, it may happen that a person is in a public hospital. The doctor will say: "I need to do a surgery, which is very expensive; I can only do it if you come to such and such a clinic, but it will cost you so much money". That is setting up two classes of services: if you pay more, you get served faster, and maybe that specialist will treat you there.

In this country it does not matter if one is poor or rich or even homeless. If you require assistance or surgery you choose the specialist or the doctor who will treat you. That is what a comprehensive and accessible medicare should be about. We need that kind of security, that kind of stability. Our health is the most precious thing we have, allowing us to do all of the other things we want to do. We talk about unemployment. If people are insecure about their health they cannot study, they cannot train, they cannot work.

This gives Canadians a sense of stability. They do not have to worry or lose their homes and become paupers because they are ill or their children or parents are ill.

Yes, we have a new world. We have a much larger population of seniors. We need to look at different treatments. That is true. That does not mean in any way retrenching one bit on the principles of health care, not one bit. I would never support any such direction. We must look at new treatments and new ways of assisting people.

Preventative medicine in this country must become the norm, and not, as it is now, a reaction. We are still treating symptoms in many cases, and not dealing with preventative medicine. If we were to deal aggressively with that over and above the costs we now have, we would lower health costs in this country considerably. We should be looking at how we can improve our medicare system and our health system and its delivery through preventative and other measures, and not diminish the principles of health care. That is totally unacceptable. This government would never support that.

We need to redouble our efforts to make sure even programs like psychiatric services are considered to be fundamental services. We have far too many children who are on waiting lists. Yes, a province has decided that is not a necessary service.

Maybe we need to look at that. It is a preventative service. This is what I mean by looking at innovative ways of dealing with the cost of medicare, not denying Canadians the right to access medicare.

• (1335)

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Madam Speaker, I am pleased to rise today to speak to the Reform Party motion concerning our health system. This motion provides for the compilation of a list of health care services considered as essential, to be fully funded by the federal and provincial governments, and a list of so–called non–core services, funded by private insurance and some form of user fee.

Naturally, we are against this motion for reasons that I will explain in my remarks. For one thing, the first part of the motion reads:

> That this House recognize that since the inception of our National Health Care System the federal share of funding for health care in Canada has fallen from 50 per cent to 23 per cent—

While recognizing readily the federal government has reneged on its commitment, we feel that what should be denounced is the fact that the provinces were never compensated for this, and therefore saw their tax burden increase.

In fact, the federal government's unilateral approach to maintaining its status as a partner in the Canadian medicare scheme is far from making all the provinces happy. The provincial health ministers do not agree either on how to prevent the Canadian medicare scheme from being affected by reductions in services and in federal transfer payments.

As reported by Jean–Robert Sansfaçon in *Le Devoir* on April 13, the Minister of Health candidly explained, by paying a simple lump sum, the Canada social transfer, instead of making several different and progressively smaller payments for health, education and social assistance, Ottawa will be able to maintain a level of control that could otherwise elude it because of its reduced contribution. As clever as it may be, the reporter added, the Prime Minister's strategy is nonetheless grossly unfair.

Ottawa plans to reduce transfer payments to the provinces by $7 billion over three years starting in 1996–97. In Quebec, these cuts will jeopardize the health care system. During the health ministers' conference held in Vancouver, the Minister of Health, Mr. Rochon, released a study from his department indicating that Quebec, which is already experiencing an $8 billion shortfall, the equivalent of the annual budget for the Quebec health services network, following the changes made to health transfers since 1982–83, will be deprived of a further $2.4 billion in federal moneys, between now and 1997–98.

As pointed out by the hon. member for Drummond, who is celebrating her birthday today and to whom we wish all the best, the federal contribution is decreasing, having dropped from roughly 45.9 per cent of Quebec's health expenditures in 1977–78 to 33.7 per cent in 1994–95. It can therefore be estimated that, for Quebec, the most recent cuts in established programs financing will result in a reduction of some 10.6 per cent of the federal contribution to health expenditures.

This is typical of the federal government. It unilaterally decides to withdraw from a sector which, in any case, does not fall under its jurisdiction, without giving the provinces the appropriate financial compensation for this withdrawal. The Prime Minister said that this was an excellent system and that the government wants to maintain it. Why then withdraw from it if the system is so good?

The fact is that, once again, the provinces will have to maintain this excellent health care program, but without federal support. So, after imposing, back in 1984, the five great principles of the Canada Health Act, the federal government is now unilaterally and implacably withdrawing its financial support, while keeping the power to impose national standards.

Let me remind you of those principles. There is first of all the matter of comprehensiveness; this means that all health services provided by hospitals, medical practitioners and dentists must be insured. Two, universality means that all the people covered by the provincial plan should have access to all insured health services. Three, portability means that coverage of provincial plans is transferable from one province to another, and that health care services are also provided to insured persons who are temporarily out of their home province. Four, accessibility means that provincial plans must provide services on uniform terms and conditions, which means that billing is prohibited. As for public administration, it means that the health insurance plan must be administered on a non–profit basis by a public authority designated by the provincial government.

• (1340)

In Quebec we have no trouble with the five criteria. As far as we are concerned, they represent a minimum consensus. But what does the federal government have in mind, especially when we hear the Minister of Health spouting her earnest rhetoric as the great defender of the integrity of the Canadian medicare system? The cuts introduced unilaterally in the federal budget are draconian.

Perhaps I may quote from a presentation by the Minister of Health before the Senate Committee on euthanasia and assisted suicide, in which she referred to palliative care.

[*English*]

The minister said: "I want to touch on 10 areas requiring attention if the individual who is the focus of my concern is to be provided with high quality care at the end of life. First, we need better diagnosis and prognosis. We need provider training. It is essential. We need fully developed teams of providers, ranking from physicians and volunteer support networks to dealing with problems of the end of life. We may even need to develop new specialties in this area".

[*Translation*]

She went on to say: "Research into pain control and management should be a priority. We need to know more about comfort and the supports that focus on time of administration of drugs and dosages. We must introduce support networks for patients and their caregivers". Finally, and this is perhaps the best part of the speech:

[*English*]

"We need institutional development. There are not enough palliative care centres, especially outside of major urban areas. We need centres to coordinate community and home care, staffed with professionals with a sense of outreach and mobile forms of delivery".

[*Translation*]

Not only does the federal government take it upon itself to establish criteria, it also assumes the right to set priorities in areas that come under provincial jurisdiction, and now the Minister of Health, in response to the serious concerns she formulated, is going to cut transfer payments to the provinces. Is she doing the actual cutting? No. She is just taking orders from the Minister of Finance.

In other words, Canada's health care system is adrift, and although in Quebec there is still a very broad consensus in favour of the main criteria of the Canada Health Act, we understand why the Reform Party is suggesting ways to make the system more efficient because, in the end, the debate is about these main criteria. Will we keep doing what we are doing now, which means making cuts in all services, something the Quebec Minister of Health is forced to do because of federal cutbacks, or should we de–insure certain services? I think our Reform Party friends did well to raise this matter in the House.

The government has initiated major changes in health care funding, and we have to look beyond the rhetoric of the Minister of Health. In a speech to the Hospital Association on March 17, 1995, the Minister of Health once again recalled certain aspects of the system: "There is nothing in the budget that changes our technical capability to enforce the criteria of the Canada Health Act. The mechanism itself remains unchanged. If deductions must be made from transfer payments, deductions will be made either from the monetary portion of the new Canada Social Transfer or, if necessary, from other monetary transfers".

This is the so–called big stick. However, later on in her speech, the minister herself opened the door to a two–tier system. She said: "On the other hand, we must be reasonable. The government and I are not going to ask the provinces to cover services like plastic surgery. In practice, we must allow the provinces some flexibility in identifying the range of insured services. However", she admitted, "we must realize that, by excluding certain medical services from medicare, we open the door to the privatization of coverage of health care services and to a lessening of our ability to control costs".

• (1345)

Later, she alluded to her guilt, saying that as a politician—and I agree with her, that is essentially what she is in this case—she has to respect the wishes of Canadians, and Canadians are sending the government a clear message that they want the principles in the Canada Health Act to be upheld.

They are strangling the provinces, but are doing it under the pretence of self–professed good intentions. However, as Saskatchewan's Minister of Health, Lorne Calvert, said:

[*English*]

"We are asking, if the federal government unilaterally withdraws more and more from funding to regions, how do they plan to maintain the integrity of the system?"

[*Translation*]

Despite the many opportunities she has had this morning, the minister still has not answered this question. The federal government's share of health care funding is currently sitting at around 23 per cent and we are willing to bet that it will shrink even more. The net figure for health care, social assistance and education transfers from the federal government is $29.7 billion for 1995–96. This will drop to $26.9 billion in 1996–97, then to $25.1 million in 1997–98. And the minister admitted in her recent speech to the Canadian Hospital Association that a portion of this is for health, but she did not break it down.

In perhaps an attempt to justify the scope of the cuts, the Prime Minister pointed out that the United States spends 15 per cent of its GDP on health; Europe, 8 per cent, and Canada, 10 per cent. So, he asked in an interview on CBC's "Morningside" why Canada would not be able to do it, for example, with only nine per cent of GDP?

Does the Prime Minister not know that the Americans have private health care and that close to 40 million of them have no health care coverage whatsoever? Does he also not know that the

American government's attempt to implement a public health care system is meeting with strong opposition from the private sector?

I do not know if the government even realizes that, by implementing such cuts, it is imperilling its own system. The Prime Minister himself, by his statements on essential services, is actually helping along the demise of the current system and is paving the way for a two–tiered system.

Basically, this seeming desire to rationalize health care costs is expressed in freezes and reductions in transfer payments—and I would remind the minister that reference was made in the same speech to an annual increase in health care costs of approximately two per cent. These freezes and reductions in transfer payments conceal the governments real intention, which is to reduce the deficit on the backs of the provinces.

So, how can the government still claim it is legitimately justified in imposing standards and dictating policy on the management and operation of the provincial health care schemes? The government is passing itself off to the provinces as upholding the law and wants to consult them to find out how they should tighten their belts to cut costs and health services while meeting federal standards.

I would point out that, in this context, the consultation was between the federal Minister of Finance and the provincial finance ministers. Then, once everything was all wrapped up, the federal Minister of Health and her provincial counterparts were casually told that they would have streamline their systems.

The forum on health is surely another example of lack of respect for the provinces. Minister Rochon has already reiterated Quebec's opposition to the forum, another indication of the government's intransigence with the provinces.

I would also recall a statement made by the former Quebec Minister of Health, who is now the Minister of Labour in the federal government and who is curiously absent from the debate today. When she was Quebec's Minister of Health, she described the government's behaviour in connection with the forum on health as absurd. She went on to ask how the government could imagine reviewing the health care system without the participation of the provinces, which are responsible for delivery of services. She felt it was simply out of the question.

In the case of the Minister of Labour, we could say that customs change with time and speeches change with the level of government.

• (1350)

Under the 1867 Constitution Act, the provinces have full and exclusive jurisdiction over health care. The federal government's costly interference in this area, notably through program duplication, was based on its constitutional power to spend.

The federal government maintains that its involvement in health care is justified by the fact that the implementation and maintenance of medicare is a paramount issue of national interest and part of the rights and benefits associated with Canadian citizenship. Because of its debt, the federal government is withdrawing financially while still upholding the national interest and keeping the powers it gave itself.

According to Minister Rochon, the real solution would be for the federal government to withdraw completely from health care and transfer the tax points belonging to Quebec and, I would add, to each of the provinces.

The second part of the motion reads as follows:

> —therefore the House urges the government to consult with the provinces and other stakeholders to determine core services to be completely funded by the federal and provincial governments. . .

Several members of this House, both on the government side and on the side of our friends from the Reform Party, have mentioned exceptions, examples of programs or treatments covered by special agreements.

I would also like to remind the House of the importance given in Quebec to the five fundamental principles of health care, which were the subject of major debate during the election campaign. As you will recall, the former Liberal provincial government, of which the new federal Minister of Labour was a member, wanted to eliminate the newsletter *Malade sur pied*, which lists the drugs that are covered or available. It also wanted to charge $20 in user fees for chemotherapy treatments for cancer patients. This directive provoked an outcry in Quebec. As a result, the Liberals quickly suspended it and the new government wasted no time in cancelling it.

We cannot eliminate all user fees. I know that Quebec charges user fees for some services, but the cuts imposed by the federal government force us to make unconscionable decisions, and I think that the federal government must take the blame for the health care cuts in each of the provinces.

The Quebec government is also considering the feasibility of introducing a basic universal drug plan that would benefit not only welfare recipients and seniors but the entire population and cover all new drugs and treatments for diseases such as AIDS and cancer.

In this regard, Quebec is still striving to ensure universal access. By supporting these measures, we in the Bloc Quebecois are telling the federal government that, if it cannot enforce these principles we care about, it should give us our tax points and we will deal with the matter. However, the federal government should not tell the provinces what they should do—and not in health care matters, in my opinion. As far as the other provinces are concerned, if a western province wants to take a different approach, it should be allowed to do so, provided it continues to

negotiate with all the other provinces. The issue of portability can be settled with or without the federal government, so that Albertans can be treated in Quebec and vice versa.

I think that the federal government must bear the greatest blame in this area.

In closing, I would like to remind you that we will oppose this motion, although we wish to commend the Reform Party for raising this issue in the House.

• (1355)

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, I was a little disturbed by the last part of the hon. member's speech.

He can correct me if I am wrong, but I understood the member to say that he would like to see national medicare disbanded and provinces deal with provinces in terms of issues such as portability.

This government is committed to Canadian medicare, which is based on treating all Canadians equally as they cross from province to province. I would really like to see whether the member would like to elaborate on the dismantling of medicare that I just heard or to correct me if I was wrong.

[*Translation*]

Mr. Daviault: Mr. Speaker, the hon. member probably forgot the first part of my remarks. The point I am making is that we, in Quebec, agree with the five principles, which we regard as a minimum consensus. However, it is rather cynical for the federal government to hide behind these five principles and cut transfers to the provinces.

The hon. member said earlier that necessity is mother of invention. I do not think that the federal government's goal in cutting transfer payments to the provinces is to spur lazy provinces to action. It is only trying to get out of a difficult financial situation. This is not a health strategy but a financial strategy and, in that regard, the health minister must submit to the finance minister's wishes.

We feel we are at the crossroads. Quebec remains committed to the principles of universality, accessibility, portability, and so on. However, if the federal government cannot do its job, we, at the provincial level, are prepared to go over its head and negotiate directly with the other provinces to ensure the portability of the system. The federal government should get serious, uphold the five principles and provide the required funding. It is true, up to a certain point, that money does not guarantee the quality of health care, but when you cut—

Some hon. members: Hear, hear.

The Speaker: Dear colleagues, it being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

DENTAL HEALTH MONTH

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, I want members to notice that I am smiling today to remind the House that April is Dental Health Month in Canada.

This month provides an opportunity for all Canadians to show off their teeth by sharing their smiles. I am proud to note that Canadians enjoy one of the highest standards of oral health in the world. This is thanks in large part to Canadian dentistry's commitment to disease prevention.

For years now the Canadian Dental Association, provincial associations, and local societies have sponsored many educational activities and projects of interest to both children and adults. These include mural displays, radio, television, and billboard ads, newspaper supplements and free dental clinics.

Please join me in saluting the efforts of the Canadian Dental Association and allied national and provincial associations for their commitment to good oral health.

I would like to ask all the members of the House to just say cheese.

* * *

[*Translation*]

SCHIZOPHRENIA SOCIETY OF CANADA

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, it is with pleasure that I inform hon. members of the launching of the Schizophrenia Society of Canada's public awareness campaign. The purpose of the campaign is quite clear: to change the public perception of schizophrenia, and to replace misconceptions with more factual information. The theme is quite catchy: if you think it is hard to pronounce, imagine what is it like to live with.

This disorder affects one out of every 100 Canadians. To combat the disease, we must become more knowledgeable about it. The campaign by the Schizophrenia Society of Canada is timely; it will improve our knowledge about schizophrenia, and that is a major step forward.

S. O. 31

• (1400)

[*English*]

GUN CONTROL

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I recently received a letter from Darrell McKnight, a Fredericton man whose shotgun was seized under order in council a few weeks ago.

His comments were so sensible that I will read them verbatim:

> I don't purport to know more about law than the Attorney General. However, when I was very young, my mother taught me that taking something which belongs to someone else was wrong. It was called theft, and there used to be a law against theft—even theft by government.
>
> This incident is typical of the level of honesty and fairness we can expect from the Attorney General. To call him a thief would not do him justice because he is much more powerful and dangerous to this country than a common thief who must break the law to steal from us. The minister just changes the law with the stroke of his own pen.

That is what one ordinary Canadian feels about rule by order in council.

The Speaker: I want to give all members all the latitude we can in the House but the statements we make in here should be attributable to ourselves, especially during Statements by Members.

* * *

ISABELLA BAY SANCTUARY

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, I am proud to rise in the House today on behalf of the students of Norway public school in my riding.

The young people of this school have taken up a very admirable cause. They wish to see the establishment of Igalirtuuq, a sanctuary on Isabella Bay, Baffin Island, for the bowhead whale. The bowhead whale is in danger of becoming extinct and so a sanctuary would help protect the species.

The 10 and 12–year olds at Norway public school have written letters to the Minister of the Environment and circulated a petition at a recent school open house. I will be presenting these letters along with the petition to the Minister of the Environment next week.

The students have worked very hard to inform themselves and others about the bowhead and other types of whales. They want to save the bowhead whale from extinction and they are asking the House to help them.

I congratulate the children for their strong commitment to their cause and I ask the Minister of the Environment to do everything she can to set up a sanctuary in Isabella Bay so that the bowhead whale may be protected.

SEASONAL EMPLOYMENT

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I congratulate the working group on seasonable work and unemployment insurance on the excellent report "Jobs with a Future".

As it correctly points out, there is no such thing as a seasonal worker but only seasonal work. People who work in seasonal jobs may have no other work available to them in the off season.

Seasonal industries and the people who work in them have overcome the challenges of the harsh Canadian climate and geography and have built on the base of our abundant natural resources one of the most prosperous countries in the world.

Seasonal work currently provides jobs and livelihoods for over a million Canadians. Seasonal industries and the people who depend on them will continue to make major contributions to our regional economies even as we move into the new information economy. Unemployment insurance reform must take into account these special circumstances of those employed in seasonal work.

I encourage all members to read this well documented report and support it soundly.

* * *

BURLINGTON TEEN TOUR BAND

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, today I rise to recognize the accomplishments of the Burlington Teen Tour Band, role models to Canadian youth.

The Burlington Teen Tour Band is committed to excellence in music and has achieved recognition both nationally and internationally in travelling around the world as true ambassadors for Canada and for our city.

On April 28 the Burlington Teen Tour Band is going to Holland to represent all Canadians at the celebrations marking the 50th anniversary of the liberation of Holland. Burlington is proud of these youths and of their parents and many supporters and volunteers.

While the band is in Holland it will be playing in the national parade in Apeldorn and at the remembrance service at the Groesbek war cemetery. I take pride in all the members of the Burlington Teen Tour Band as they represent Burlington and our country.

It is important we recognize the outstanding accomplishments of Canadian youth. The Burlington Teen Tour Band represents positive leadership for all Canadians. I salute it in its accomplishments and send it my best wishes for a fabulous trip.

[*Translation*]

HOLOCAUST MEMORIAL DAY

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, today is Yom Hashoah, which this year marks the 50th anniversary of the end of the Holocaust and the horror of the concentration camps in Europe.

Millions of men, women and children perished under the yoke of Nazi tyranny. Remembering the victims of the Holocaust and the tens of millions of people of all nationalities who died during the Second World War brings to mind how fragile life and liberty are.

• (1405)

Fifty years after the war, the world is still the scene of planned exterminations. Mass killings and hatred are daily realities. To forget is to allow ourselves to condone violence. To remember is to be mindful of our collective responsibility to oppressed nations.

* * *

[*English*]

THE ECONOMY

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, on the surface the Canadian economy appears to be sailing smoothly. Yet, as the Moody's downgrade revealed, the buoyancy is deceptive. Three indicators are pointing to rough seas ahead.

The first is our sinking dollar. Since the release of the government's first budget our currency has lost more than 20 per cent of its value versus the yen and the mark. The Bank of Canada has only kept it afloat through high interest rates.

However, it is these high interest rates which have knocked the wind out of our sails, housing sales, that is, which hit a 13–year low in March.

While the combination of high interest rates and a depreciating currency roil the waters, the third storm cloud has appeared on the horizon. Inflation is re–emerging which will prevent the Bank of Canada from offering the interest rate relief we all need as Canadians.

The message is clear. Unless the government charts a new fiscal course for deficit elimination, not deficit reduction, our economy will end up on the rocks.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, when the minister of agriculture appeared in front of the agriculture subcommittee on grain transport it was strictly do as I say, not do as I do. He said to prepare for the future. As our glorious leader on this important challenge, he then retired to the rear and complained about his administrative duties: how to make a payout, to whom, why, when and for what land. Such problems.

He avoided any discussion of the long term transport decisions already inflicted on agriculture by his government: no Crow payments August 1; branch line deregulation by January 1; full rate deregulation by 1999; decisions that will increase freight rates dramatically as rates rise to those of other products and U.S. freight rates.

With that much bad news facing us in the trenches no wonder our little general could not bring himself to look at or even alert the troops. What vision, what courage, what a total disappointment.

* * *

SUSTAINABLE DEVELOPMENT

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, two years ago the first session of the United Nations commission on sustainable development was held in New York. It was agreed at that time that members would report on activities undertaken to implement agenda 21, the global plan of action for sustainable development.

I am pleased to announce that Canada delivered its second report to the United Nations last week. This is a report to the United Nations from all Canadians. It reflects Canadians' efforts to embrace and promote sustainable development.

Canada has made progress this year in parks, agriculture, forests and in conserving Canada's plants and animals. We are developing Canada's resources and maintaining their health for the future.

Canada continues this week to share its own experiences with other United Nations members at the session, thereby helping to further promote sustainable development among all UN members and encouraging all member states to learn from each other.

* * *

CROATIA

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I welcome two distinguished guests from the Republic of Croatia, Mr. Mladen Vedrish and Mr. Rodesh.

Mr. Vedrish is a member of the Croatian House of Representatives and president of the Croatian Chamber of Economy. Mr. Rodesh is a member of the Upper House. They are in Canada today to help promote stronger cultural and economic ties between our two countries. Specifically they are here to discuss the potential for business relations between Canada and Croatia and investment opportunities in Croatia.

They will be meeting with members of the Canadian business community and the newly established Canada–Croatia Chamber of Commerce.

The government has taken a leadership role in developing trade relations with new markets. Croatia is a new and promising market that I know Canadians will want to participate in.

I am sure all members join me in wishing Mr. Vedrish and Mr. Rodesh much success in their endeavour to promote business relations between our two countries.

* * *

• (1410)

SOUTH AFRICA

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.: Mr. Speaker, today marks the commencement of the first multi–racial democratic election held in South Africa.

Last year, serving as a part of the Canadian observer team, I was fortunate to contribute to Canada's effort to ensure the election process was free and fair, an essential step in setting up a post–apartheid, non–racial democracy.

President Nelson Mandela remains one of the great moral and political leaders of our time. His lifelong dedication to the fight against racial oppression in South Africa continues to inspire individuals and nations alike.

On this anniversary I invite my colleagues in the House to join me in welcoming to our country South Africa's first black high commissioner, His Excellency Billy Isaac Letshabo Modise.

Canada remains committed to working to promote human rights and security for all communities in South Africa.

* * *

[*Translation*]

MONTREAL ECONOMY

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, this morning we learned that the number of welfare recipients in Quebec had increased drastically, from 550,000 in 1990 to 808,000 this year. To make things even worse, 188,000 of these recipients, or close to 25 per cent of them, live in Montreal. That city is in fact the main victim of the federal government's negligence and incompetence.

This deterioration of the situation also confirms that federal reforms designed to improve the plight of the poor have failed miserably. This government only managed to make things worse.

When will the federal government realize that it cannot deliver and that it must provide Quebec with the necessary tools to develop a real job strategy? This government's stubbornness confirms that sovereignty is the only solution for Quebec.

[*English*]

THE LIBERAL PARTY

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, through hard work and determination Reformers have finally made perfect sense of the Liberal's promise to govern with integrity.

First, a cabinet minister can sue the government that employs them provided it does not infringe on the rights of their children to greet the Queen.

Second, $100,000 trips using Challenger jets are justifiable only on the condition that the minister speaks at a northern U.S. ivy league school.

Third, renovation costs exceeding $200,000 are justifiable only if the word turbot falls under the minister's portfolio.

Fourth, if your father is a senator you are fair game, but if your son–in–law works for Power Corp., back off.

Fifth, taxpayer funded, gold plated pensions for life are justifiable because MPs make less money than the worst player on the Ottawa Senators.

Now that Reformers have made perfect sense of Liberal ethics and integrity we will focus our attention on understanding Liberal math.

* * *

SCHIZOPHRENIA

Mr. Mac Harb (Ottawa Centre, Lib.: Mr. Speaker, this week the Schizophrenia Society of Canada launched its first annual public awareness campaign.

This disease affects about 270,000 Canadians. That is one in every 100 people. Sadly, 40 per cent of the people with this disease will attempt to take their own lives; sadder still, one quarter will succeed.

Schizophrenia is caused by a chemical imbalance in the brain and often strikes young adults. It is one of the most common forms of mental illness in Canada.

While there is much work to be done, progressive discoveries are being made every day and more effective treatment programs are being developed.

The Schizophrenia Society of Canada provides information, advice and emotional support to those living with this disease and their families. Along with my colleagues in the House of Commons I congratulate the society for its continued commitment and hard work.

* * *

HOLOCAUST MEMORIAL DAY

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, today, April 27, marks Holocaust Memorial Day. As the Prime Minister of Israel said, it has been 50 years since the doors of hell were opened.

In Israel and around the world humanity remembers and pays tribute to six million Jewish people, including one million children, who were murdered at the hands of the Nazis during the Holocaust of 1939–45.

This is the precise reason I introduced a motion on April 3, 1995, M–282, to designate April 20–27 a week to remember crimes against humanity. At that time I called on members of the House to view the Holocaust and genocide as more than crimes against one group, but to see them as crimes against humanity.

I call on Canada and the international community to oppose any oppression in all its forms, regardless of race or religion, and to defend the rights of victims of hatred and crime.

* * *

• (1415)

LACROSSE

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, this time last year there was a debate in the House on Canada's national sport, lacrosse.

At that time we not only reaffirmed the importance of lacrosse to our culture and heritage, we named it as the national summer sport while hockey would become our national winter sport. This House actually came to an all–party agreement that lacrosse and hockey would be our national sports.

Lacrosse has been part of our cultural heritage for many years. The sport is indigenous to Canada through the First Nations and existed here before Canada did as a country. Now it is having its funding abruptly cut and the government is refusing to support this important national treasure.

I call on Sport Canada and the Minister of Canadian Heritage to review this decision. While all of us must tighten our belts to get our fiscal house in order, surely our national sport deserves better treatment.

ORAL QUESTION PERIOD

[*Translation*]

TELECOMMUNICATIONS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday, the government took the unprecedented step of tabling two orders concerning DTH satellite distribution which are a direct reversal of the CRTC's decision. One of the orders comes in response to the dearest wishes of the Power DirecTv Group, by allowing the group to use an American satellite. We know that one of the main shareholders and leaders of the group is the Prime Minister's son–in–law.

My question is directed to the Prime Minister. Would he confirm that the chairman of the panel appointed to advise the government in this matter, Mr. Gordon Ritchie, is a former associate of his principal adviser, Mr. Eddie Goldenberg, who intervened directly in this case?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, we have been through this a number of times.

We have demonstrated repeatedly that the action the government took both in initiating a review of the exemption order issued by the CRTC and in adopting the report of the panel of experts chaired by Mr. Ritchie has been in conformity with the views of many disinterested groups, at least in terms of the commercial interests involved. These include Friends of Canadian Broadcasting, the Consumers' Association of Canada, ACTRA, groups which really are not involved other than as important users of the system. Newspaper editorials have also asked for this response.

If the Leader of the Opposition wishes to debate this matter on the basis of process, then we will have something of substance to talk about. So far, his only attack on this has been unbased innuendo, which I think reveals more about him than it does about our process.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, a long answer that could have been shorter if it had been the answer to the question.

The question is a question of fact: Is Mr. Goldenberg a former associate of the chairman of the panel that drafted the orders? The question is very straightforward. It is a question of fact that will clarify the matter for the public, since the Prime Minister took the unprecedented step—I do not think this has happened very often in Ottawa, and I think it is probably the first time ever in the history of the federal Parliament and the federal government—of trying, and I think he did so in good faith, to isolate himself as though behind a wall from a fundamental decision by his government.

I therefore want to ask the Prime Minister whether he would agree that his wall shows some serious gaps and whether he realizes that the actions of his principal adviser, Mr. Goldenberg, allowed him to do indirectly what his conflict of interest guidelines prohibited him from doing directly?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, a lot of smoke but no fire.

[*English*]

The problem here for the Leader of the Opposition is very simple. He has a report of a panel of experts, yes, chaired by Gordon Ritchie, participated in by Roger Tassé and Robert Rabinovitch, three former deputy ministers in the Public Service of Canada. They produced a report which has been generally praised in editorial comments and by other groups.

The Leader of the Opposition has nothing to criticize in the report. In fact, as I recall from the publication of the report on April 6, the most telling criticisms came from the very party he claims it was intended to benefit. Why? Because the result of the report and the direction which was tabled yesterday really give nothing to anybody except the right to apply to the CRTC for a licence. That right is open to Power DirecTv. It is open to Expressvu. It is open to everybody else.

• (1420)

Our intention has been to be very, very careful on process. We invoked a process which was transparent and open. We have initiated it with tabling a direction, a process which is statutory, open to debate in a public forum, namely the House of Commons and the Senate of Canada.

The Leader of the Opposition cannot find anything to criticize in that process so he is left to asking about irrelevant details.

The Speaker: Colleagues, it is early in the question period. May I please appeal to you to keep the questions and answers as brief as possible.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, it is very strange to hear the minister hiding himself behind the process while they have put aside the process, squashing a decision made by the CRTC. It is the first time that has been done in the history of Canada. That is something.

[*Translation*]

I have the following question for the Prime Minister. Considering the fact that the order is tailor–made to meet the demands of Power DirecTv, that this order is a carbon copy of the draft prepared by a panel chaired by the former associate of the Prime Minister's principal adviser and that this associate personally intervened by speaking to the responsible minister, is the Prime Minister not bothered by this impression that Power DirecTv and his son–in–law were given preferential treatment?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the Leader of the Opposition keeps trying to find something that would discredit the process but he does not succeed.

The fact is the process was initiated yesterday in the House of Commons. It is true it is the first time it has been used. I am sure the Leader of the Opposition would admit it is a power that has only recently been included in the statute, although it was proposed that it was included in the statute by the previous government. It is a relatively new power and was used in a circumstance which itself was unprecedented, namely the granting of the exemption order by the CRTC.

In the face of the exemption order being granted on August 30, many groups asked the government to act, saying there were problems with this. If we had not acted in response to those criticisms, I suspect that at least the Leader of the Opposition, or perhaps his critic who often claims to speak on behalf of groups like the Friends of Canadian Broadcasting, would be standing in this House criticizing us for having not acted in the way we have acted.

* * *

[*Translation*]

SEAGRAM

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the *Toronto Star* reported this morning that, through some strange coincidence, the Minister of Canadian Heritage happened to be in Edgar Bronfman's suite in Los Angeles when Seagram took control of MCA studios. Following this transaction, Seagram will have to secure Investment Canada's approval before it can also get the Canadian subsidiary, the movie theatre chain Cineplex Odeon, out of the deal.

My question, which is quite simple, is the following: Can the Prime Minister explain to us what business a minister of his government had in Edgar Bronfman's suite, when Investment Canada will have a very important decision to make regarding this transaction?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Investment Canada will review this investment proposal like it would any other. The Minister of Canadian Heritage is not responsible for this issue, the Minister of Industry is, I believe.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Canadian Heritage is a minister of the government.

Mr. Bouchard: Supposedly.

Mr. Gauthier: Yes, supposedly. So, the Minister of Canadian Heritage, a government minister, just happens to be in a businessman's suite at the moment that a transaction is taking place which will require the approval of Investment Canada, an agency over which the government has some influence.

• (1425)

Does the Prime Minister not feel that the Minister of Canadian Heritage exercised poor judgment by putting himself in a situation of conflict?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Bronfman Group's investment proposal will come before the government and will be evaluated in accordance with the laws of the country and we will see what will happen. The appropriate minister and commission will examine the case and make a decision. The government will then decide whether or not to approve the deal.

Many businessmen, citizens and opposition members speak to the minister every day, under all sorts of circumstances. That is normal. Because, before making a decision—

Some hon. members: Oh, oh.

The Speaker: Order, please.

[*English*]

Mr. Chrétien (Saint–Maurice): Mr. Speaker, a decision will be made when there is an application. I do not know if we are faced with an application but with any investment made in Canada from foreign interests trying to buy Canadian concerns there is a review process. The review will be there. There will be a decision and that is it. That is the law of the land and the law will be respected.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, as has already been referred to, the Seagram company acquired an 80 per cent interest in the movie giant MCA. Investment Canada may be required to make a ruling as to whether Seagram should be regarded as a Canadian company. While all of this is going on, the Minister of Canadian Heritage was apparently in Los Angeles being wined and dined by the principals to the deal.

Did the Prime Minister personally know about these meetings? Has he had the ethics commissioner determine that the minister has not once again put himself in a conflict of interest situation?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member may know there is an issue here as to whether or not Seagram is a Canadian company. If so, then the transaction is not reviewable by Investment Canada.

I want to assure the hon. member that that determination, which will be made according to legal principles by Investment Canada, is done entirely without reference to the Minister of Canadian Heritage as if that were relevant.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the question was about ethics and not the regulatory decision.

Power Corporation's DirecTv involving the Prime Minister's son–in–law just got the government to reverse a ruling of the CRTC for which the Minister of Canadian Heritage is responsible. Now the Bronfmans and Seagram board member Paul Desmarais who are closely related to the Liberal Party appear to be seeking the minister's help to get Investment Canada to leave them alone. We fear that the Minister of Canadian Heritage may be ending up as some sort of errand boy for an emerging Liberal family compact in the communications field.

What assurances can the Prime Minister give that the government's decisions in this rapidly developing communications field will not only be free from political influence but will also be free even from the appearance of political influence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the marriage of convenience between the Bloc and Reform is one formed in the gutter I must say.

Some hon. members: Oh, oh.

• (1430)

The Speaker: I know today is Thursday, not Wednesday. I would ask hon. members to please be very judicious in their choice of words. I would go back to the floor to the hon. Minister of Industry.

Mr. Manley: Mr. Speaker, the process is really the assurance that the leader is looking for. I offer him a reminder of last Christmas when Canadians across the country told us loud and clear that they wanted competition. We have taken moves in the context of the DTH file to ensure that there is competition.

The member raises the issue of ethics. Surely he understands that the best assurance that ethical principles have been lived up to is a clear and transparent process. That is the process we invoked. We invoked one that was open to public debate and discussion. We have listened in a public manner to the submissions of Canadians from coast to coast.

If he disagrees with the submissions that we heard from hundreds of Canadians, from editorialists, from artists and from broadcasters then let him say so, but let him not criticize it on the basis of innuendo. It is below him.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Prime Minister will know from history books that the Liberal Party evolved from a group of reformers in pre–Confederation days who fought against the family compact, a closely knit group of elites, many of them related to each other, who subverted responsible government to protect and advance their personal and collective interests.

If the Prime Minister is really committed to integrity, surely he does not want to allow such a clique to develop around his government.

My question is very simple. How does the Prime Minister propose to prevent the formation and activities of this Liberal family compact, la clique du château libéral, from undermining the integrity of his administration?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, when I spoke in the House yesterday on this matter I said I did not participate in any discussion in committee or in cabinet. When the decision was made I was not there. I have absolutely no conflict of interest.

It is true that somebody who is earning his living working for the corporation in question is my son–in–law. This is why I

abstained in the discussion even though it had no conflict of interest at all. I know some people want to attack me but I have been standing proudly in the House for 32 years. Everyone can look at my record.

It just so happens there is a lot of controversy in Canada because there is not enough competition. We had complaints in December because there was an exemption to make sure there would be no competition. My colleagues in the cabinet, without my presence, using the laws of Canada, have made a ruling which is clear. Everybody who wants to can apply for a licence and it will be reviewed under Canadian law. I will not intervene.

However, I will not go down to the level of people who do not have the decency to realize that a Prime Minister of Canada has the right to have his daughter well married.

* * *

• (1435)

[*Translation*]

TELECOMMUNICATIONS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Industry.

By issuing unprecedented decrees, the government has reversed the CRTC's decision to license Expressvu and has allowed Power DirecTv to use an American satellite, rather than use a Canadian one exclusively, to broadcast its programs. The Minister of Industry has confirmed publicly that the Prime Minister's principal adviser, Eddie Goldenberg, intervened directly in the matter.

How can the Minister of Industry claim to have disregarded the financial interests at stake for the Prime Minister's son–in–law in discussing the Power DirecTv file with Eddie Goldenberg?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, again the opposition is grasping at straws.

The hon. member is correct. I did confirm that I informed Mr. Goldenberg on the status of the file. That is normal. I received no submissions. Certainly I have never discussed the matter at all with the Prime Minister. I can assure the House of that. Nor did I receive, as the member describes, any pressure from Mr. Goldenberg in any respect with regard to this file.

What I did receive were hundreds of submissions through the review panel from Canadians from coast to coast who said: "Please review the order that was issued in August by the CRTC". When the report of the panel was issued it was again supported not only by editorialists but by many of the groups on behalf of which the hon. member claims to speak in the House of Commons and committee, groups like ACTRA, the Friends of Canadian Broadcasting, the Canadian Council of the Arts.

I do not understand what her problem is. If we did not listen to those groups she would be on her feet criticizing us for not having done so.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, how does the Minister of Industry explain Power DirecTv's failure to apply to the CRTC for a license, which it could have done since last July, other than by the fact that Power DirecTv had been assured that the government would issue a customized order enabling it to take over Canadian airwaves with an American satellite?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, this is a case of the more noise, the less substance. As the hon. member knows, the condition of the exemption order which required that all content be carried through Canadian satellites excluded essentially everybody but Expressvu from—

Some hon. members: Oh, oh.

Mr. Manley: They are getting louder and louder, Mr. Speaker. It excluded potentially everybody but Expressvu from—

Some hon. members: Oh, oh.

The Speaker: Order. The hon. Minister of Industry may finish.

Mr. Manley: The effect of the exemption order was that essentially nobody but Expressvu could possibly have carried on the service.

If Power DirecTv had got what I assume it wanted, the government would have tabled a direction that would have changed the conditions of the exemption order to authorize Power DirecTv to operate under an exemption order. Then it would have been able to do it right away. It did not get that from the panel. In fact it got an obligation to apply to the CRTC for a licence which had already set conditions that put it essentially out of business in Canada.

The whole hypothesis of the member's question is entirely unfounded, but is obviously inherently contradictory. She does not understand the case.

* * *

• (1440)

INVESTMENT CANADA

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Prime Minister.

The government abused Investment Canada over the Ginn Publishing affair and it is poised to do it again over the Seagram acquisition. The government blamed the Tories for the Ginn Publishing deal but it cannot blame them this time.

The Minister of Canadian Heritage attended meetings in Los Angeles with MCA and Seagram prior to this transaction being filed officially with the securities commission or cleared by Investment Canada.

Does the Prime Minister not understand that as a result of these meetings the Minister of Canadian Heritage appears to be influencing Investment Canada's decision?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I guess this is just my day.

Again we have a false hypothesis. With respect to the issue that is before Investment Canada at the present time, it is one simply of fact, whether or not Seagram is a Canadian controlled corporation. If so, then the transaction is not reviewable by Investment Canada.

The hon. member implies by her question that somehow or another the Minister of Canadian Heritage ought to be able to know in advance of a visit to a facility such as MCA that a takeover is about to be launched. If he has the ability to see in advance, then my suggestion would be that perhaps he would have succeeded very well as an investment counsellor.

How could he possibly have known in advance that this transaction was to occur? It is a ridiculous question.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the insidious backroom family connections continue.

Investment Canada has confirmed that the ADM for cultural affairs in the department of heritage is directly responsible for the Seagram file. He also has family ties with the Bronfmans. He is—

The Speaker: I appeal to the hon. member to put her question now.

Mrs. Brown (Calgary Southeast): Mr. Speaker, why is the Prime Minister allowing this sensitive issue to be handled by an individual who is in a direct conflict of interest and whose family stands to benefit from the decisions made?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Industry, who is responsible for Investment Canada, has explained very clearly that there is a process.

There will be an application from the buyers of this complex. They will have to establish very clearly something that is very easy to understand: Is this company Canadian controlled or not? It is a matter of fact. Investment Canada will review this. If it is a Canadian company it means the huge corporation will be controlled by Canadian interests. I do not see anything wrong if that is the case.

If it is not the case and it is an American concern, it will have to follow the same route as any other foreign investment. Therefore, it will be decided by Investment Canada. Investment Canada will look at the books of the Seagram corporation and decide if it is Canadian or not. It is not my decision. It is for Investment Canada to decide.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, Power DirecTv needed an exemption order from cabinet, since the use of its partner's American satellite violates current CRTC rules. Moreover, because of such exemption orders, the federal government could be liable to court action, this according to the CRTC's secretary general.

Will the Minister of Industry recognize that, with this made–to–measure order for Power DirecTv, the government is allowing that company to use DirecTv's American satellite, thus avoiding having to pay tens of millions of dollars in fees for using the Canadian satellite?

• (1445)

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I want to say two things. First, the legal opinion which the government received does not support CRTC's contention. Second, the process which we undertook yesterday is of a parliamentary nature. If the hon. member has suggestions to make regarding the handling of this issue, we are prepared to listen.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, we know that legal opinions are usually debated before the courts, which raises the following question: How can the Prime Minister, as head of the government, accept a decision which not only favours his son–in–law's interests but, more importantly, which makes his government liable to court action?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am sure the hon. member knows there are often differences of opinion among lawyers. I can assure the hon. member our view is that the government acted entirely legally and is not subject to any civil suit for the actions it has taken in issuing a direction in pursuance of its powers under the Broadcasting Act.

However, I want to make clear that our objective in this, as I have stated several times in the House on previous days, is to create a competitive environment for direct to home satellite services, a level playing field. We think the direction we have tabled is the best means of achieving it.

Again, since there is a parliamentary process invoked here, if members in either of the opposition parties think there is a better way to do it, they may want to suggest changes to the direction.

SEAGRAM

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the backroom family connections continue. Investment Canada has confirmed the assistant deputy minister for cultural affairs in the department of heritage is directly responsible for the Seagram file. Surprise, surprise.

He has family ties to the Bronfmans. He is Victor Rabinovitch, the brother of Robert Rabinovitch, who wrote the DTH satellite directive that benefits Power Corp and who works for the Bronfmans.

Why is the minister allowing this sensitive issue to be handled by an individual who is in direct conflict of interest and whose family stands to benefit from the decisions?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let me help the hon. member to understand the process that is being invoked here.

The public servant in question does not work either for Investment Canada or for Industry Canada. Until it is determined that Seagram is not a Canadian company, there is in fact no role to be played by the Department of Canadian Heritage in the matter.

If Seagram is a Canadian company, the transaction is not reviewable by Investment Canada. As far as I can tell, the consequence of that would simply be that the sequel to "Jurassic Park", which I know is one of the hon. member's favourite movies, could perhaps qualify for the Oscar for best foreign film.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I do not have to go very far in the House to find "Jurassic Park".

This morning when asked about the heritage minister's trip to Los Angeles to meet with MCA and the Bronfmans, the ethics counsellor admitted that he had no knowledge of the trip. Considering the strong ties of the Bronfman family to the Liberal Party and the decisions that lie before Investment Canada, we have yet another problem of conflict of interest.

Why did the minister fail to consult again the ethics counsellor on an issue that affects the integrity of the decisions made by the government from "Jurassic Park"?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, now I will have to inform my cabinet ministers that when they go on trips they should ask the permission of the ethics counsellor.

Come on, look at the facts. This Canadian company of the Bronfman family, a great business success in Canada, has expanded into the United States. We should not be ashamed of that.

If it is still a Canadian company, it does not have to apply to Investment Canada. If it has too many interests outside Canada and has no more Canadian interests, it will have to apply.

• (1450)

There is no mystery. Why do they use innuendoes to try to destroy the reputations of people when the process is completely open and when we want to introduce some competition in the communications system of Canada?

I know le désespoir of these guys on the other side of the House. They do not have anything to say. They are trying to find fault when there is no problem. That is why the Canadian public is not responding to them and why they are so low in the polls.

* * *

[*Translation*]

WELFARE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is directed to the Prime Minister.

In January 1995, nearly 5,500 Quebec households applied for welfare for the first time. More than 40 per cent of these new applicants were young people under the age of 25. Altogether, sadly enough, we have a record 808,000 people in Quebec, 25 per cent of whom live in Montreal, who must turn to welfare as a last resort.

Considering that 40 per cent of new welfare recipients—

Some hon. members: Oh, oh.

Mrs. Lalonde: Mr. Speaker, the people I am talking about do not have the same lobbying power as those who were referred to repeatedly just now, but I would like to be heard just the same.

Some hon. members: Hear, hear.

Mrs. Lalonde: Considering that 40 per cent of new welfare recipients were either on unemployment insurance or were denied access to UI, would the Prime Minister agree that these cuts in unemployment insurance totalling $5.5 billion over three years are simply——

The Speaker: Hon. members, we should be listening to questions and answers today.

The Prime Minister.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, like the hon. member I too deplore this state of affairs in Quebec. And that is why, since we came to power, we have discussed the need for job creation, and we have had some results. Nearly 100,000 new jobs were created in Quebec since we formed the government, and unemployment in Quebec dropped by 1.3 per cent over the past 18 months.

Unfortunately, at a time when Quebec has the most serious social problems in Canada and unemployment is increasing, the Government of Quebec only thinks about independence, separation and the Constitution. And while it does its political fancy footwork, the poor in Quebec are paying the price. That is what is so unfortunate. We want to talk about job creation, while it dreams of separatism at the expense of the poor in that province.

Some hon. members: Hear, hear.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, it is because these people are not as well connected, and because we are convinced that only sovereignty will give Quebec a chance to deal with the terrible scourge of unemployment.

Some hon. members: Hear, hear.

Mrs. Lalonde: Does the Prime Minister not realize that the federal system has failed us in this respect and that the situation will go on deteriorating under the Canada Social Transfer, which will further reduce federal funding for welfare assistance?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as a result of changes in unemployment insurance benefits, 250,000 families in Quebec now receive an additional $1,000 since the changes in the program came into force.

I am glad that we are starting to talk about these problems, because Quebecers like me, and other Canadians as well, are sick and tired of hearing about the Constitution and separation. At last we are going to talk about the real problems of Quebecers: unemployment and employment. If they would only stop bothering us with all this talk about separation.

* * *

• (1455)

[*English*]

HARBOURFRONT CENTRE

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, my question is for the Minister of Public Works and Government Services.

There is concern in the greater Toronto area about the future of Harbourfront Centre, one of Canada's premier cultural, entertainment and recreational facilities.

Given the financial challenges facing the centre, would the minister provide an update on his recent discussions with representatives of the centre and on the status of the upcoming Today's Japan Festival?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, the hon. member will know that in the past the Government of Canada has made contributions to this important cultural and tourism facility in the city of Toronto.

As a result of our fiscal situation and as a result of the financial pressures the group at Harbourfront is facing, I invited both parties to get together to see whether or not discussions could take place to see if we could find solutions to the problems.

Metro Toronto members of Parliament have been very helpful in providing suggestions and directions as to the ways in which we may proceed to find solutions to a very difficult situation.

I report to the hon. member that I am reasonably confident, as I stand here today and negotiations proceed, we will be able to find some common ground between ourselves and Harbourfront to ensure the facility and, most important, the Today's Japan Festival will be able to continue in the weeks ahead.

* * *

SEAGRAM

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, yesterday during question period the Prime Minister admitted that he consulted no government officials in regard to the Power Corp. deal.

In an interview the heritage minister indicated that there was no reason to consult. The Prime Minister has just now repeated again that there was no need to consult.

In view of the fact that in these affairs Liberal insiders stand to gain millions and maybe billions of dollars, why not ask the ethics counsellor to put the thing to rest, to have a free and open investigation?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the ethics counsellor told me that I am acting absolutely properly.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, during the campaign the Liberals said that they wanted to rebuild trust. We would like them to do it.

The way to do it is to have an independent investigator make an investigation and rule on the matter. Why does the Prime Minister resist having the ethics counsellor apply his skills to resolving the problem?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the member needs to understand that he is asking for an investigation when we have in fact launched a process.

The process began yesterday with the tabling of a direction in the House of Commons. It is a process that includes Parliament. Parliament has the right to discuss the direction and to propose changes.

I have yet to hear from members of the Reform Party. Is it that they oppose competition? Is it that they oppose licensing? Is it that they oppose that part of the revenue of DTH undertakings

that should go to Canadian production? Which of those three things is it that they oppose?

* * *

[*Translation*]

OLD AGE SECURITY

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Since last Friday, Communication–Québec, MP's offices and even the PMO have been flooded with calls from obviously very concerned pensioners. According to the Consumer Help Office, approximately 258,000 pensioners will see their old age pension cheques reduced by 50 per cent.

• (1500)

How can the minister explain that so many seniors received or will receive this year a pension cheque not including the guaranteed income supplement to which they are entitled?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, I have no idea who is behind these unfounded rumours or where they come from, although I have my suspicions as to who is behind them, and I may be looking at them right now.

I would hope the hon. member would use his good offices to assure that there will be no 50 per cent reduction in seniors' pensions. In fact, just last month we increased them. On the basis of the improvement in the consumer price index, we improved seniors' pensions.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, does the minister deny that the Department of Human Resources Development's difficulty in processing requests is creating hardship this year, mostly among seniors?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification): Mr. Speaker, if in some cases there have been overpayments or problems that do not fit the regulations, of course we will be sending out these letters. But to make the kinds of exaggerated claims the hon. member has, purely to frighten and scare people, is frankly not the responsibility of a good member of Parliament.

Some hon. members: Oh, oh.

Some hon. members: Order.

PRESENCE IN GALLERY

The Speaker: My colleagues, today, as on other days, but especially today, I want to draw your attention to the presence in the gallery of a man who has brought great distinction to our country. As a matter of fact, I would say that he gives us part of our identity. I want to introduce to you the world renowned Canadian photographer, Mr. Yousuf Karsh.

Some hon. members: Hear, hear.

The Speaker: This concludes question period, but I am going to hold a short reception in my chambers, 216–N, and I would invite you, my colleagues, to come with me and meet Mr. Yousuf Karsh.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I ask the Leader of the Government the typical question for a Thursday. What is on the agenda of the House for the next few days?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada): Mr. Speaker, before some members of the House go to the Speaker's reception for Mr. Karsh I would like to present the weekly business statement.

On Friday we will call third reading of Bill C–43, concerning lobbyists. This will be followed by Bill C–67, the veterans bill, and by Bill C–70, the income tax bill.

On Monday we will call the motion in my name concerning a special joint committee on a code of conduct for parliamentarians. If this is completed before the end of the day, we would return to Friday's business at the point where it left off.

• (1505)

Tuesday shall be an opposition day. On Wednesday we will take up the business at the point of progress where we left off on Monday, followed by Bill C–41, concerning sentencing, and Bill C–54, concerning the old age security pension.

Mr. Speaker, this is the weekly business statement.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—NATIONAL HEALTH CARE SYSTEM

The House resumed consideration of the motion.

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, in 1984 the members of this House unanimously adopted the Canada Health Act. It was a particularly noteworthy event for two specific reasons. This legislation guaranteed quality health services to all Canadians, regardless of their income or their place of residence.

Furthermore, this piece of legislation was adopted unanimously by the members of all the parties. Everyone felt a national health insurance scheme was invaluable.

[*English*]

This government's commitment to universal health care remains unshaken. The Canada Health Act and the system we have built under its framework is a defining feature for our society. The essence of medicare is not to be found in the mysteries of a funding formula. It is certainly not to be found simply in the amount of money we spend. Rather, it is to be found in providing quality health care equally to all Canadians.

[*Translation*]

The five main principles underlying the Canada Health Act are: universality, accessibility, comprehensiveness, portability and public administration. They are rooted in values of fairness, social justice, compassion and respect for human dignity. These values are shared by all Canadians. They are part of our social fabric.

Some claim that our health insurance system is too costly and that we can no longer afford the luxury of a government funded system. On the contrary, I believe that our health insurance system is no luxury but a necessity and that public financing of this system helps keep health care costs under control.

In investing in health in general and in health care services, our government is helping to keep Canadians healthy and fit. They will be able to meet the economic challenges of the 21st century. Studies indicate that many days of work are lost to illness or accident. They all reach the same conclusion: these days lost have a negative effect on workers, society and the economy.

[*English*]

A health care system that Canadians can access without fear of financial hardship encourages people to seek medically necessary treatment before an illness or injury becomes life threatening or debilitating. Early diagnosis and treatment are far less expensive than chronic care, both to the individual and to the system. Such a system does not encourage patients to seek inappropriate care.

For those who think in terms of the bottom line, the principles of the Canada Health Act support an economically efficient health care system. These are economies of scale obtained from governments being the only buyers of medically necessary hospital and physician health care services and of the entire population being the customer base. A system that is publicly administered saves this country billions of dollars annually in administrative overhead. In hospitals and in clinics this frees up the resources in time to practise medicine, not administration.

• (1510)

Finally, medicare produces a healthy population, which in turn means a healthy and productive labour force. This is a reciprocal relationship between business and the health sector. A healthy business sector means economic growth. Economic growth means jobs. Jobs reduce unemployment, and less unemployment means a healthier population and reduced health costs. In other words, a healthy Canada is a wealthy Canada.

[*Translation*]

The fact that the Canada Health Act is both to flexible and too rigid was also deplored. Yet, according to the Canadian constitution, it is up to the provinces and territories to provide and administer health care services. Consequently, the provinces and territories must identify their own priorities and manage their resources.

Under the act, the provinces and territories must provide the required medical and hospital services. However, nothing prevents them from providing other types of services. This means that a province may pay for the costs of prescription drugs or dental care for children, while another may finance air ambulance services.

As long as it abides by the five basic principles underlying the Canada Health Act, each provincial or territorial government is free to provide additional services at its own cost, or experiment with different structures. The basic criteria governing federal financing under the Canada Health Act are the five principles previously mentioned. The government is not prepared to compromise on these principles.

[*English*]

The basic criteria for federal funding under the Canada Health Act are the five principles mentioned earlier. It is these that the government is not willing to negotiate.

The first principle is universality, meaning that all residents of a province must be insured under the provincial health plan if it is to receive federal support. We as Canadians believe we must all have access to medically necessary services. People cannot be deinsured because they might be costly for the system to cover. They cannot be turned away at the hospital door because, for example, they have not paid their quarterly tax bill or even their provincial premium. Any one of us needing health care will be treated the same as everyone else. This is what is meant by equity.

Accessibility on uniform terms and conditions is the second principle. We should not face any financial barriers in receiving health care, no extra billing, no user charges, no facility fees, no upfront cash payments. If the service is medically necessary, we

will get it at the time defined by medical consideration and not by money.

[*Translation*]

The principle of comprehensiveness is a recognition that Canadians have a number of needs which must be met. It would be unfair to insure only certain medical services. We will continue to contend that the provinces and territories must insure all medically necessary services.

However, comprehensiveness does not mean uniformity. It does not mean that the provinces and territories must all meet health care needs in exactly the same fashion. These needs must be met, but there is some flexibility as to how this can be achieved.

Portability means that Canadians are always covered by medicare when they travel or move within Canada. This is what gives our health care system its national dimension.

[*English*]

Canadians enjoy the freedom to work and travel anywhere in the country, without fear of losing their health insurance coverage. Each separate health insurance plan may be provincial in origin but is recognized nationally in every province across the country.

The fifth and final principle is public administration. Our health insurance plans must be operated by provincial governments on a non–profit basis. It is at the core of our ability to contain costs in a system and thus to deliver quality care at an affordable price.

Public administration is the key to ensuring all the other principles. When health insurance is operated and funded by the government, we can guarantee that health care is universal, accessible, comprehensive and portable because we have direct control over it. Public administration not only ensures that more of our health care dollars go toward patient care but it also makes governments more successful than the private sector in keeping health care costs under control.

• (1515)

In 1993 we spent about $72 billion on health care. This represents 10 per cent of our gross domestic product. The public component of that 10 per cent has been growing at less than 2 per cent. Compare that to private health spending which has been growing at 6.4 per cent.

[*Translation*]

However, complying with the provisions of the Canada Health Act does not prevent the provinces and territories from adopting innovative strategies to meet the challenges in providing health care services.

For example, British Columbia has set up emergency response teams, New Brunswick has established an extramural hospital and Quebec has achieved excellent results with its local community health centres. All these initiatives have solved different problems and demonstrate how flexible the legislation is.

The Minister of Health even recognized that private clinics offering medically necessary services can be an effective way to give such services, provided that the medically necessary services are fully covered by provincial or territorial health plans. What is totally unacceptable is, first, physicians extra–billing for services already covered by provincial or territorial health plans and, second, charging user fees for medically necessary services covered by provincial or territorial health plans.

[*English*]

In this era of fiscal restraint, Canadians want value for money. We pay for our health system collectively through our taxes. We all pay so that everyone can benefit according to need. There are altruistic human reasons and hard economic arguments for doing so. Whichever we support, the system works to our benefit. This government is committed to preserving the Canada Health Act because in spite of what its critics may say, it works.

[*Translation*]

For many of us, health care insurance is an essential part of the Canadian identity. We belong to a nation where all citizens are equal. Anyone in Canada can rely on reasonable access to health care services, not on the basis of wealth but according to need. Every Canadian can rest assured, now and in the future, that he or she will not be ruined financially by a serious illness. The Canadian health care system has no equal in the world. Treatment priorities are set in light of medically necessary services and not according to the patient's wealth.

The Canadian government takes very seriously its role as a defender of universal health care. The Minister of Health has expressed her strong opposition to facility fees, extra–billing and any other sign of a two–tier health care system. Canadians have entrusted their government with protecting their health care system. As the Prime Minister has repeatedly said, this government intends to show that it is worthy of this trust.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I think there is not one Canadian or Quebecer who questions the importance and value of the five principles set out in the Canada Health Act. However, the greatest threat to these principles, in my view, is the underfunding the Government of Canada has caused these past few years by phasing out financing in these areas.

Does the hon. member for Pierrefonds—Dollard recognize that this seriously threatens the principles he referred to and with which I totally agree? Reduced funding from the federal government may well place the provinces in a situation where,

while recognizing these principles as normal and necessary, they can no longer uphold them.

• (1520)

Mr. Patry: Mr. Speaker, I thank the hon. member of the Bloc Quebecois for his question. I am very pleased to hear him say that he came to the same conclusion as I did, in that he agrees with the five principles I listed earlier.

There is a real problem with underfunding but it lies in the fact that social and health programs are provincially administered in Canada. Every province made its own choices. It is now up to these provinces to make new choices to cut their costs within the health system as we know it.

In certain parts of the country, provinces have allowed non–essential services to be provided to their citizens. I think that the ball is in the court of the provinces now.

[*English*]

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the hon. member may congratulate the Bloc for endorsing the five universal principles. However, I hope he will not congratulate the Reform Party because we do not endorse these five principles.

I would like to know what the hon. member is trying to do when he acknowledges there is a serious reduction in the amount of money being put into health care by this government. The provinces are cutting back as they try to balance their budgets. There is a significant reduction in the amount of cash going into the health care system, yet the Liberals with their heads in the sand seem to think it is business as usual. They seem to think that health care is going to continue on as it has been, uninterrupted without any problems while they cut back on the cash without having any opportunities or initiatives allowing the health care system to resolve its own problems through the market forces or whatever.

When will the Liberals get their heads out of the sand and recognize there is a real problem in health care that is caused by the lack of funding? When are they going to allow this additional funding either through taxpayers' dollars or by letting the marketplace put some money into it?

[*Translation*]

Mr. Patry: I thank the hon. member of the Reform Party for his question.

I will answer the second part of his question first. There is no way that government will ever grant the Reform Party its wish for a two–tier health system, with one system for the rich and another for the poor. That is out of the question.

Extra billing and private clinics lead to a two tier system: one for the rich and another for the poor. The government in office in Ottawa will do no such thing because it is against its principles.

As for the first part of his question, I think that it is up to the provinces; they can and must cut their costs, which have become astronomical. There are certain things that must be looked at, costs, hospitals, provinces and even physicians, and I am one myself. Therefore, it is within the medical and social service community that the solution should be sought, and not in terms of the accessibility per se of the services.

[*English*]

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, it is my pleasure to address the issue of established programs funding in regard to health care.

The issue of established programs funding is of great concern to the constituents of my riding of Edmonton—Strathcona. While Alberta is battling its debt and deficit problem without increasing taxes, it is also doing it with less and less resources from the federal government. Since health care is Alberta's largest single area of government expenditure, I feel it is of the utmost importance to debate this issue.

In 1993–94 the federal government provided transfers of $40.5 billion to the provinces. The majority, approximately 71 per cent of these transfers, was for the established programs financing and equalization program. Out of this $40.5 billion, tax transfers were approximately $13 billion. It is the established programs funding, the tax transfers which I wish to spend most of my time discussing today. However, before we can discuss these transfers, it is important to look briefly at the equalization program.

• (1525)

Alberta has been deemed a have province. According to a recent study by a University of Calgary professor, it has paid in $139 billion more than it has received since Confederation.

An hon. member: We want it back.

Mr. Hanrahan: Albertans are gracious individuals and they have felt that being part of Canada has had its costs, but they also feel the benefits have outweighed these costs. I agree with that attitude, yet I also find that many Albertans are rethinking this attitude of generosity.

Another area that has become extremely contentious, particularly in Alberta and B.C. is the established programs funding. This funding is an arrangement between the federal government and the provinces relating to the funding of post–secondary education and health care. I will try to limit my comments solely to health care due to time limitations.

First, the Reform Party has no intention of dismantling medicare, nor do we want to create some form of a U.S. style

two–tier health care system. Instead, the Reform Party argues that our health care system is already gravely ill as its costs are going out of control in relation to the funding available.

Our intention is to ensure the long term viability of health care in this country. Health care is an issue which lies at the heart of most Canadians. It is Reform policy to ensure that no Canadian is denied adequate health care services for financial reasons, regardless of where they live in Canada.

Currently, provincial governments possess the legal and constitutional responsibility to provide health insurance and services. They do not however, possess the authority to take the administrative steps to control medical costs and/or raise additional revenue for health care services. Reformers believe that this arrangement puts both the federal and provincial governments at odds with each other, rather than allowing them to get on with the job of providing improved quality health care to all Canadians.

In fact, the Canadian Medical Association has argued that the country's health insurance system will be colliding with the economic reality in which it, the health care system, cannot be maintained in its present form. I believe this collision has already begun. This is apparent if we look at the federal budgets throughout the 1990s.

We have seen virtually a non–stop series of cuts and freezes in the federal government's transfers to the provinces. This has pushed the federal government into a corner. It realizes that it is risking losing control over national standards in health care should the cash transfers to any province cease entirely.

This problem is further troubled by the fact that federal provincial relations regarding transfers has been marked by decisions which have nothing to do with the search for balance or fairness in the use of our resources. I refer here to the national energy program and the recent gas tax that hit Alberta harder than any other province.

Miss Grey: And public utilities.

Mr. Hanrahan: Yes. It is for this reason that the Reform members of Parliament believe the only viable solution to safeguard our health care system from a fiscal crisis is to redefine the Canada Health Act. It should allow the provinces to find solutions that make the most sense for their region, through exercise of their constitutional jurisdiction over health care. The role of the federal government should be to provide financial support and equalization through the taxation and transfer system and to ensure that no Canadian is denied health care for financial reasons.

The Reform Party advocates amending the health care act to restore to the province the administrative jurisdiction the federal government has expropriated through the use of its spending powers. In other words, we will leave it in the hands of the provinces where it belongs.

What worked yesterday does not necessarily work today. What was taboo in the past is possibly accepted today. This applies to the federal transfer payment system which, after having its successes, is now coming up against its failures. Few people would dispute that to rectify the inefficient allocation of resources it is urgent that we put our public finances on a more solid footing to create an economic environment that will contribute more to efficiency and growth. However, the way to achieve this may not be compatible with certain political, social or provincial expectations.

• (1530)

As just stated, the federal government would seem to be feeling more and more trapped by its policy of imposing national standards and its desire to reconsider the refinancing of transfer payments.

We must continually remind ourselves it is the provinces and not the federal government that have the constitutional jurisdiction to operate the health care system. It is the provinces and not the federal government that provide the bulk of health care funding. It is the provinces and not the federal government that have the greatest expertise in health care delivery.

We on the Reform side of the House have to move ourselves away from the corner and into the forefront of health care policy issues. The way to do this is to focus the federal government's role on making no strings attached transfer payments to bring adequate health care within the financial reach of all provinces and citizens.

The provinces in consultation with patients, health care workers and taxpayers should be left to explore new options for greater health care efficiency without fear of being penalized by Ottawa.

We ultimately should be transferring additional tax points based on the notion that each province will clearly define what its core level of basic services will be. This list can ultimately and should differ from province to province. This would be our version of national standards to which the federal government could rate the provinces on their record against their core level of services.

Not only would we like to have a clearly defined level of basic core services but would also expect the provinces to shift more toward a community based development philosophy of delivering health care. This process and approach is to work with a community to address unmet needs and issues of concern to that specific community. It is based on the principle that the community affected by an issue is in the best position to articulate its needs and desires and to devise appropriate strategies to address these needs.

The core services and community based development approach, linked with the no strings attached tax point transfer, would ensure accessibility for everyone in a cost effective and efficient manner. This accessibility will ultimately be redefined to recognize that long waiting lists for essential services are a denial of access.

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, I am having some difficulty understanding the logic of the hon. member for Edmonton—Strathcona. He is talking about transferring tax points with no strings attached. This is transferring more money to the provinces, giving them carte blanche and letting them decide what their core programs would be. Each province would decide what its core program would be and we would have different core programs from province to province.

He says he does not want to create a two tier program. I do not understand how the member can say that he would have an accessible health care system across the country where one province's accessibility would be defined in one way and another province differently. It is quite conceivable that in some provinces health care would not be accessible to people who are poor because they would have to pay certain types of remuneration or what have you.

I do not understand what the member is actually asking. Basically the current health care system structure has allowed the provinces to administer their health care systems as they wish as long as they are able to respect the five conditions. That is not so difficult. Those are not very difficult conditions to respect. His colleague earlier said they do not endorse the five principles. They are pretty broad.

• (1535)

I would like to know from the member exactly what kind of medicare system the Reform Party envisions. If it sees one different for every province with accessibility varying without any national principles, however broad, I have some difficulty with that. I would really like to understand where the provinces are now hampered in the administration of the health care system.

The Acting Speaker (Mr. Kilger): While the hon. member for Edmonton—Strathcona is on his feet replying to the question from the hon. member for Beaches—Woodbine I wonder if he could refresh the memory of the Chair on whether he is splitting his time with a colleague.

Mr. Hanrahan: Mr. Speaker, we will be splitting our time.

I thank my colleague for her question. With respect to the distinction between provinces, she is aware that already happens. From the investigations I have made with various medical people they suggest there are health problems relatively unique to certain areas, to certain provinces, to certain communities. In those areas they should be able to direct as much of their resources as possible. We are trying to localize it to the people most affected.

With respect to the core area, that is something which we have to debate as a national government, a national society, and we have to come to some agreement as to what is universal from one end of the country to the other. However, there are certain aspects which do not require that.

In terms of accessibility, the essential core agreements must be available to all regardless of income. I believe I made that relatively clear in my speech.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, one of the five principles Liberals keeping talking about is the publicly funded one to the exclusion of all other input of cash into the health care system. I want to ask the hon. member for Edmonton—Strathcona if he feels their proposition of refusing any other means of funding health care will preserve our health care or should we allow other moneys into the program?

Mr. Hanrahan: Mr. Speaker, if we do not allow other moneys into the program, if we continue the decline in financing for medicare which has been occurring over the last number of years, combined with increase in the interest on the debt, we will find there will be a no tier system, not a two–tier system. There will be no medicare for anyone.

This is an attempt to save medicare.

Mr. Speller: Do you want a three tier system?

Mr. Hanrahan: I said very clearly in my speech that is exactly what we do not want. We want to save the basic elements of medicare for all Canadians regardless of income.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, on this business of a two–tier system, do we want it or do we not want it, we have had it for years. Let me draw to the member's attention that we have a two–tier health care system right now.

If my friends would like to get out their wallets or their purses or whatever, I would refer them to their benefits card from the public service health care plan. Mine says: "D.C. Grey, hospital level three". As soon as we see other levels we ask whether this is a two–tier health care system or a one tier system. Members opposite shun that and talk about the fact that we could never have a two–tier health care system. My card says level three, so how many tiers are we looking at here?

Let me also draw to their attention that MPs pay exactly zero; zero comes off their paycheques every month.

• (1540)

Anyone in the gallery who works for the public service or anyone who works in our offices, anyone who is a public servant, has the option to have a level three health care card. My

staff members have those. They pay if they are single $5.32 a month; if they are a family they pay $10.35 a month. I got that today from our pay and benefits clerk in the comptroller's office.

If we are to talk about two tier health and be so sanctimonious about it, that we in the Reform Party will only have an American system in two tier health, this is nonsense. We cannot beat around the bush because that is fact. We pay zero for this level of hospitalization. Public servants, people who work for us in our offices, pay $5.32 or $10.35 a month. That is two tier or spending differently. MPs are off the hook again; zero comes off our paycheques for that. We have some serious problems in the country and that is one tiny example.

We are in favour and believe every Canadian should have access to health care regardless of their ability to pay. That is a fact. That is important across the country. It comes down to how we will pay for that. The country is $550 billion in the hole and yet the health minister this morning said it is just going along fine and we have lots of money.

Deficit spending in the late sixties and early seventies has dug us into a hole so deep that if we do not get this thing under control even the size of the Chamber would not hold the cash we owe. It is rising at a rate of $1,500 per second.

For people on the government benches to say we are dreaming on this side of the House and everything is as safe as could be forever, that is not true.

My friends across the way know it. We cannot be eating up interest rate payments at the rate we are paying and expect everything and the status quo to go along as it has.

There are discrepancies in the system right now. The system needs to be fixed. There are many tiers, many levels of health care. Let us admit it rather than having a shade pulled over our eyes and trying to go out to Alberta and scare the daylights out of us and my health care minister. Do not try to frighten anybody. Do not accuse Reformers or the Bloc of fearmongering.

We are dealing with the facts. We have serious economic problems. We do have a two tier health system. My friend from Winnipeg this morning, a doctor, said he was all in favour of the Liberal plan of health care. He was specifically asked whether he had ever in his medical practice referred one of his patients to the Mayo Clinic. I suspect he did. I suspect there were many times in his medical profession because I think he was an excellent doctor who would tell someone they needed to get to the Mayo Clinic fast. Winnipeg is plenty close to the Mayo. I bet he referred lots of patients there.

I bet the doctor from Vancouver Centre who lives close to the American border, in someone's best interest if they could afford to pay, would send them down to the Mayo Clinic, California, Seattle or wherever for health care if they could afford it. This is happening all the time.

To say we are just fearmongering in the Reform Party, forget that. Let us get on with solving the problem.

They also talked about our position in the campaign. That was $150 billion ago. The national debt is now at $550 billion, $150 billion more than when a lot of greenhorns walked into this place not even a year and a half ago. The debt and the interest on it are chewing so quickly that if we do not get this problem under control it will destroy the national medicare program more than anything else.

Is there a mix of health care plans? I was really surprised as a westerner when I first came down here to discover that even though I in my teaching career had been paying for my Alberta health care forever people in Ontario do not even pay for their premiums. That sounded pretty strange to me. They do not in Manitoba either.

Mr. Harvard: Why should we?

Miss Grey: Why should we, he says. I guess if everything is self–financing and self–funding and the country is in great shape, sure, let us offer freebies.

We continue to pay for health care premiums and I do not think people mind that because they know the service they get is absolutely terrific. Some provinces charge health care premiums, others do not. That is the way it is.

• (1545)

Some people have private insurance to supplement their basic coverage. That is the way it is. People who can afford to pay are perfectly entitled to do so. In my province, some can afford to get eye laser surgery at the Gimble clinic either in Calgary or the new one in Edmonton. Those people say: "I want to pay for it. I will step out of the queue of those waiting for laser surgery, perhaps at the University of Alberta Hospital, and I will get it done at the Gimble clinic. I will pay my $1,200 and I will free up a spot in a public institution for somebody who is waiting in the line". That is not reprehensible. That is the way it has been for a long time.

Somebody says: "Yes, it is reprehensible". What about people who live on welfare? Do we who have jobs say: "Isn't it dreadful about all of those on welfare". No, we are grateful to have a job and we will pay our taxes. We will make sure those who are needy in our society are able to collect welfare. Surely that is not reprehensible.

Would my friend over here quit her job right now as an MP and not pay taxes any more because she does not think her tax money should support welfare for the people who really need it?

Of course not. Well, she is thinking on that. Those of us who pay are blessed. We are able to pay our taxes and we want them to go to the more needy in our society. Why should we not do it with health care? It makes perfect sense to me.

The hon. member should not hog the line–up. She has her place in the queue. If she is in there and says that she gets health care because, or maybe she is demanding child care, who knows? She is making $60,000 a year. I would say let her pay her own babysitters. This is nothing different. If you are able to pay, pay and step aside for someone who may be a little more needy. Perhaps not so sanctimonious but maybe a little more needy.

We are under no illusion here. We have some serious problems with health care. Federal cash transfers in support of health care are projected to go down to zero in the next 10 to 15 years. This is from a government, a Liberal government. Medicare is having its 30th birthday. It is wheezing and gasping its last breath on its 30th birthday.

There are real problems. Funding? Sorry, the well has dried up. Under successive Liberal governments year after year we are deficit spent and we are really sorry but the well has run dry. The Liberals cannot go to the Canadian public and say: "Sorry that is just the way it is" yet pretend, give speeches, go on CBC and CTV News saying: "We have all the money we need for it". The minister said that today. I hope they show a clip of that on the national news tonight. There are a lot of people, a lot of taxpayers who know that is absolute fantasy.

It would make sense to prepare for that day. We know we have problems. Let us prepare for that day. Let us be ready for it rather than just saying: "Do not touch it, do not do anything to it". We are in bad shape financially and we need to make sure we move ahead and solve the problems instead of just complaining about them.

In my province of Alberta there have been huge cuts. I want to let the hon. members know that in 1970, 25 years ago, the whole budget for Alberta was $1 billion for everything, not just health care. In 1982, 12 years later, the entire budget was $12 billion. We had some boom years in our province. With the oil boom we went from a $1 billion budget to $12 billion in 12 years. That is a lot of money. Imagine what happened. Hospitals sprang up all over. We were spending two to three times per capita on each Albertan as many other provinces were doing. Many of these cutbacks may just be bringing us back to some of those levels.

Recently I underwent major surgery at the University of Alberta Hospital in Edmonton. My experience there—I can only talk for myself—is that for major surgery, for a hysterectomy, I waited my time in line. I did not want to go to the National Defence Centre and jump the queue. I said: "I will go. I pay my health care. I pay premiums in Alberta. So I will take my turn and just go in with the regular run of the mill people". I was asked: "Do you want a room of your own?. It is $40 a night". I thought: "That is cheaper than the Relax Inn so sure I will book in for it". Little did I know because I have never been sick and am grateful for that, my health care card, level three for which I pay the goose egg, absolutely nothing every month, covered my room. I was grateful for that.

The people in that hospital were professional. They were kind, looked after me and treated me really well. I am standing here, two months later, fully recovered and recuperated. Perhaps I am an example that the health system works. However, let us make sure that we do not let it get any sicker or in any worse shape than it is already.

• (1550)

Health care is worth it in this country. Regardless of the fact that members say there are no tiers in it, let us shed some tears for the system and make sure we make it right.

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, I would first like to correct the first statement the hon. member made with respect to the two–tier system for MPs versus our staff.

The two tiers do not exist. Medically necessary physician or hospital services are the same. There is no difference. One gets the same hospital and the same doctor. The only difference is there is a TV in the room which one can decline. The hon. member chose the TV but she could have said no. The medical care is not different. There is no difference between the hospital one goes to, the doctor one gets, the services one receives or the nurses who serve us.

I heard today from the hon. member and other colleagues about core medical services and that core services should be identified. I am trying to understand what the difference is between core services and medically necessary services as defined in the Canada Health Act. What is the real difference between core and medically necessary? I think they are one and the same and that we are playing with words here.

I would like the Reform members to define for me what core services are and how it differs from what we now have in the act.

I am very proud to pay my taxes. I do not consider welfare to be charity. I consider welfare to be the right of needy people who have fallen on hard times.

Miss Grey: Needy people.

Ms. Minna: Absolutely. I am quite proud to pay my taxes to help those people. I do not consider it charity which is why I am not for workfare or any such thing. These people have a right to be assisted by the system and the government. They have paid taxes before and they have earned the assistance.

With respect to the Gimble clinic, laser surgery and stepping out of line, I do not want that system. Before we know it we will have a system where the people who can afford it will always be stepping out of line. The best specialists can charge more money because profit as a motive will always be working in the best clinics. Before we know it we will end up with a two–tier system

no matter how we look at it. I have seen it happen in other jurisdictions and it will happen here. It is not necessary.

The publicly administered health care system is the most cost effective system in the world. It saves money because the motive is not profit, it is to deliver the best possible system to the citizens of the province.

Those are my comments and some of my questions. I would really like to understand what core services are to the Reform Party as I have not quite understood that yet.

Miss Grey: Mr. Speaker, I appreciate the member's remarks. What part of this two–tier system does the member not understand? It just baffles me. I am usually not at a loss for words and my friend knows that. Anybody who has ever known me, and my family certainly knows, I am usually not stumped for something to say, but I can hardly believe it. I can hardly believe that someone would say we get the same hospital care and there is no difference in it.

Somebody who says that the Gimble Eye Clinic is only for people who can afford it should know they have been doing this for years. People go to abortion clinics. The minister talks regularly and incessantly about facility fees and that she will not allow them in Alberta. What about the people going to free-standing abortion clinics right across the country? Is that a facility fee? Sure it is. Somebody talked earlier today about Quebec psychoanalysts being de–insured now. This goes on and on.

Core services and medically necessary services are things that are absolutely essential. These could be life saving devices or a hysterectomy, if there is cancer, all those types of things. If someone wants to get a nose job, if it is necessary, is affecting one's breathing, let us let the medical profession determine this. However, if one just wants to go in and get plastic surgery, a nose job, a face lift or whatever other lift one might want, those are the kinds of things that the medical community is quite capable of deciding which is core and which is not core.

• (1555)

Those procedures which are life saving are core. But it is not a government's responsibility to sit in the House of Commons and make those decisions. Let the medical profession do it.

There are very capable doctors on the government side as well as over here. Let them decide and then we will support that.

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, I was interested in the last few remarks made by the member opposite when she said: "Let the doctors decide. Let the physicians decide. Let the people who are responsible for delivering the care decide".

That is exactly what we do. That is exactly what the Canada Health Act does. Her proposal would put a bureaucrat in their place. There would be a schedule or a list decided by someone other than the physician, someone other than the person who is providing the care. That is one reason why we do not support the proposal that party brought forward today.

I want to step back a little bit and look at exactly what the Reform Party is saying today. The members sat down, thought this out and put it into their political planning that they would have this debate today. They stood up and put forward a motion which states:

> That this House recognize that since the inception of our national health care system the federal share of funding for health care in Canada has fallen from 50 per cent to 23 per cent and therefore the House urges the government to consult with the provinces and other stakeholders to determine core services to be completely funded by the federal and provincial governments and non–core services where private insurance and the benefactors of the services might play a supplementary role.

Some hon. members: Hear, hear.

Mr. Alcock: I am pleased that the members recognize that I can read.

I would like to balance what members opposite talked so strongly about, of putting greater control in the hands of the province, against a statement made not too long ago by another Reform member in the human resources committee. The statement made was: "Well, I come from a have province. We contribute money to Confederation. Should we not be able to dictate the kinds of services those people in the poor provinces get?" At the root of my feelings about this debate is what it says about us as a country.

We made a decision a long time ago that we were going to provide health care. We were going to see that every person no matter where they lived in the country, no matter what their income level, would be entitled to basic health care. We made that decision as a country. We have followed through on that promise.

Reform members talk so loudly about supporting the wishes of their constituents. There is no other service government delivers that the people value as much as their health care system.

The Reform Party reminds me of the old story about the doctor whose only answer to a query was: "Take two aspirins and call me in the morning". On every policy issue that is debated its members say one thing: "We have a deficit. We do not have the money for it so we have to cut somewhere. We have to get out of it". It strikes me that a party that has been around here for a while which has some intelligent, thoughtful people in it, could think a little harder about what they are really saying.

We spend between 4 and 4.5 per cent of the federal budget on health care. In doing so, we buy ourselves one of the finest health care systems in the world. This is the point of attack

Reformers have chosen to solve the deficit problem. It is not funny. It is tragic that they would attack a service that is so valuable to so many people who have so few options.

It is fine to talk about the wealthy individual who can walk into any place in the world and buy what he or she needs. However we also have to think about the person who cannot do that. It is something that has been a part of our values for all my working life, and hopefully will be for all my life.

• (1600)

There is another aspect to this. I think we have to ask the Reform Party to be a little more intellectually honest. In the proposal put forward it talks about the fall from 50 per cent to 23 per cent. I suppose it is done to heighten the fears it might engender in people or to heighten the arguments that can be made about the role of the federal government and what the federal government has or has not done. However, that is simply not true. It is false information, which the party has put on the record in order to strengthen its debate.

The fact is that the first number refers to the federal government's share of spending on hospital and physician services, our contribution to medicare. The second number refers to the federal share of total health spending, things like non–prescription drugs, cough drops, et cetera. The Reform Party knows this, and its researchers should know this, and to bring it forward simply discredits the debate it wishes to have.

Reform members talk about creating a list of services, which presumably some bureaucrats in Ottawa would manage, having consulted with doctors, and they would tell us what medical services we could have and what medical services we could not have.

The Reform Party has been accused on occasion of looking south for its policy initiatives. I do not want to spend all of my time walking through that particular model, but I would like to note a couple of things.

I had a recent experience in the United States. I lived there for a few years. I met a man in Los Angeles, quite a wealthy man, who had a very serious cancer of the jaw. He received very good medical service. Following a technique that is available here in Canada, they replaced his jawbone with a piece of bone taken from his thigh. It was marvellous. It was truly a wonderful piece of work.

He walked out of that hospital and was told that was it, his insurance was now cancelled. Despite the fact that he is wealthy and despite the fact that he has the resources, he cannot at any price buy service. In the system the Reform Party promotes, he cannot buy service for the rest of his life.

I would like to give another example. This happened to my nephew, who lives in Los Angeles. He drove to another state on a vacation and he fell and cut the palm of his hand on a piece of glass. He cut a tendon, so it was a little more serious than just a cut in his hand. He was rushed to the local hospital and they looked at it and put a compress on it and said: "Your insurance only covers this immediate service. To get the tendon repaired you have to go back to a health jurisdiction that your insurance respects". He had to drive some 500 miles to get a fairly serious repair. He could have lost the function of his finger.

When we talk about letting the provinces decide and when we talk about letting individual hospitals decide, are we not talking about a system that says that a person may not be able to get service because the level of coverage in their province does not cover them for all of those things? Is that not exactly the kind of divisive force that the Reform Party promotes when it talks about the have provinces being able to dictate the level of services in the have not provinces? I reject that.

Frankly, in this country we have a very serious problem. We are seeing an increasing polarization between those who are well to do, who can take care of themselves and live a comfortable life, and those who are not so fortunate. We are fast building a community not unlike those we see around large cities in the U.S., walled cities, walled communities, which have a wall built around them to keep the bad folks out. We are building a society that is less inclusive, less caring, less Canadian than the one I believe in. The Reform Party needs to consider very carefully what it is promoting when it talks about the destruction of our health care system.

One of the discussions the Reform Party brought forward in its motion is the idea that we would have a matrix of services or a list of services. It is interesting that the provinces and the federal government do not want to impose a list of services. They do not want it because they want to do what the member for Beaver River said in her closing remarks: they want the decisions about care to be decided between the doctor and the person who needs the care. The federal government believes that. It is enshrined in the principles. The provinces also want that.

• (1605)

The member who spoke just before the member for Beaver River made a comment about universality. It is odd to me that the Reform Party finds universality such a difficult concept to understand. All universality means is that everyone has access. If they do not want to have universality, as they have been stating, despite the agreement, who are they going to exclude? If they are not going to have universality, who then is outside of that universal range?

Mr. Williams: Nobody.

Mr. Alcock: They cannot have it both ways. They cannot say they are opposed to universality and they are not going to put

anybody outside. That is all universality means: that we are going to cover everybody, we are going to give everybody access to the services.

The leader of the Reform Party made a speech on medicare not too long ago. I would like to talk a bit about it. Perhaps the members can get ready to jump up and down, as they do.

There was a suggestion that we might want to ask the member for Beaver River to try to define where facelifts are free.

The leader of the Reform Party, in his speech not so long ago, said that the real long run threat to medicare is the financial threat caused by deficits, debts, and skyrocketing interest payments. Skyrocketing interest payments on the national debt eat up the federal government's ability to finance any and all social programs, including medicare.

Miss Grey: Hear, hear.

Mr. Alcock: Mr. Speaker, I thank the hon. member for Beaver River, once again, for giving me a standing ovation.

Take two aspirins and call me in the morning.

We have a problem so cut the deficit. That is their only solution. Do not look at what is happening within the services that are being provided, do not call upon the medical community to find more efficient and more effective ways to deliver services. Cut the deficit. Cut the funding.

The member for Beaver River called upon me to talk a bit about the Liberal approach to this. The leader of the Reform Party talks about cutting the deficit. In fact, total savings from our Liberal budget will be $29 billion over the next three years. This budget represents, by everyone's criteria, the strongest fiscal action taken by a government, certainly since the war years.

I was on a local radio show with a fellow by the name Peter Warren back home, who has been on the air for 25 years. I asked him if he had ever seen a tougher budget, and he said no.

This government is living up to its promises to be fiscally responsible, but it is being fiscally responsible in a morally responsible way. It is not throwing the weakest people out of the boat. It is not saying let those folks who can afford it go off on their own and do what they want and forget about the others. It is saying we are all in this together, we are all part of the same family, we are all part of the same country, and we will solve these problems.

One of the issues the Minister of Finance talked about over and over again was fairness, that we would do this, we would swallow the tough medicine, we would make the tough decisions, but we would do it fairly.

In the speech of the leader of the Reform Party he talked about how the Prime Minister's speech contained no workable framework or plan whatsoever for the reform of medicare.

• (1610)

I do not know where the leader has been. He has not been in the House that much, but certainly has people who can read, who can talk about the council, who can look at the work the minister has been undertaking to work with the provinces, to work with people to find solutions for what are some very difficult, very complex issues that confront all of us.

The federal government is already engaged in discussions with all the key players. A number of provinces, the conference of the Ministers of Health, the federal–provincial advisory committees, bilateral meetings with health organizations, and consultations with Canadians through the National Forum on Health, ensure that all parties are informed and working together to ensure that Canadians have access to a responsive, effective, and affordable health system.

There is another aspect to this. If the member for Beaver River wants to talk about the cost, there is a very significant cost to poor health. There is a very significant cost to poor children. There is a very significant cost to unhealthy children.

The fact is that universal access means, yes, that my children get coverage, which I can afford to pay for, but it also means that those who cannot afford it get coverage. It means that we also care about their public health needs. It means that kids go to school stronger, more fit, more physically active and more ready to learn. It also means that people are able to pursue careers. It means that people are more able to be productive, working and contributing to society. Good health care is a foundation of a healthy community. To risk destroying that in the cavalier way the Reform Party does is irresponsible.

The Reform Party has been accused at times of speaking in code. I want to add a bit more code to the discussion. The leader of the Reform Party said: "Reform therefore favours the decentralization, localization, and personalization of health care delivery", and to amend the Canada Health Act to provide this kind of flexibility.

Is it not interesting that mere minutes ago, when I talked about the problem that my nephew had in a different state trying to access health care, the members opposite said: "Oh no, we do not mean that". Then what does decentralization mean? What does localization mean, except specific services in a specific area? What does that do if I do not come from that area, if they are not insured in my area?

Do we really build a system where certain Canadians have certain kinds of services and other Canadians have different kinds of services when it comes to our health? Is that really what we are promoting?

What does personalization mean? Does it mean user pay? Does it mean the ability of those who can pay will pay? Does that not just promote a greater fracturing of the community?

The Acting Speaker (Mr. Kilger): I have been somewhat generous with the time. I have taken into consideration the applauses and so on and so forth. I would ask the member for Winnipeg South to summarize in the next minute and a half.

Mr. Alcock: Mr. Speaker, I appreciate your alerting me to the time.

I would simply like to say that I want to thank the members opposite for bringing forward this resolution. I reject its intention absolutely and completely. I am saddened by the position that they have taken on so vital a service to this country. I do appreciate the opportunity they have provided me to stand up and say how strongly I and my party support health care and medicare in this country and reject the position taken by the party opposite.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened with great interest to the member's speech. His views are diametrically opposed to those of the Reform Party.

• (1615)

However, some of the issues raised by the Reform Party are not totally erroneous. I do not agree with the hon. member when he says that the Reform Party's views are irresponsible. I do think that, unfortunately, our debt ratio will force us to make some hard choices, as is already the case with the UI program, for example.

We learned today that the number of welfare recipients in Quebec climbed to 808,000, with a more or less corresponding decrease in the number of UI beneficiaries. It is pretty easy to figure out that those are UI exhaustees who have now joined the welfare rolls. If the Liberals continue to close their eyes, as they have a tendency to do, instead of tackling the issue of the national debt, we will have to make even harder choices in the future. We will have to cut our social programs, including medicare.

This Liberal government set aside a tidy sum for things such as the purchase, by the Department of National Defence, of four secondhand submarines, which will of course have to be upgraded with state–of–the–art detection systems, the very best enemy detection systems. Given what is happening with the frigates that have to be refitted, we can expect this government to once again spend billions of dollars. If the government stopped spending uselessly, it might be able to delay cutting into social programs.

But this is not what the government does. Consequently, I do not agree with the hon. member's comments on the Reform Party vision. I am not a Reform member either, but I do think that our debt ratio is dangerously high. This is the real threat for our society and, without going as far as the Reform Party, I do believe that the provinces, which are closer to the taxpayers, are in the best position to assess their needs, and should therefore be the only ones to decide which medical services to provide.

The other day, in Quebec, we had—

The Acting Speaker (Mr. Kilger): Order, please. I hesitate to interrupt at any time, but particularly during the period of questions and comments. When I called the question and comment period, I noted that a number of members wanted to ask questions of or make comments to the member for Winnipeg South.

This is the period that permits an exchange of viewpoints between members from both sides of the House. In noting the number of members wishing to debate the hon. member for Winnipeg South, I would ask the hon. member to ask his question and conclude his remarks so that I may give the same opportunity to others who have indicated their desire to speak. I hope you will trust in my being as reasonable and fair all the time.

Mr. Lebel: Mr. Speaker, I understand very clearly and I will be quick. I would ask the member for Winnipeg South if the solution, which would not be entirely that of the Reform Party or, at the other extreme, the Liberal Party, if it could not be a joint one with respect to expenditure cuts, particularly in the area of defence, that might satisfy everyone?

The Acting Speaker (Mr. Kilger): I thank the hon. member for Chambly for his co–operation.

[*English*]

Mr. Alcock: Mr. Speaker, I thank the member for his question.

I absolutely agree with the member. All sorts of areas have to be looked at, evaluated and tough decisions have to be made. That is what we are doing. That is what the budget which was tabled here not so long ago was all about. That is why people in every constituency across the country are feeling the pinch. It is because we have made some of the toughest fiscal decisions made by a government, at least in the last quarter century.

The difference comes in this way. I was in a provincial legislature that supported health reform. We said that we have to get costs down in health care. We advocated very strongly and the health care professionals worked very hard to do exactly that.

• (1620)

Procedures which used to cause a week or 10–day stay in the local hospital near me are now done in one night. Many are done on an out patient basis. All sorts of reorganizations have been undertaken in order to reduce costs, be more efficient, deliver better service, faster and cheaper. However, we have not made the reform of saying one person can have health care but another cannot. That is the difference in the Reform approach and what we are doing.

Change is a fact of life. There can always be change. There can always be improvement. We can always do things differently. But as Canadians we made a commitment that we would be in this together. That is the difference.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I wish the hon. member for Winnipeg South were the minister of fisheries because I have never seen so many red herrings dragged through this Chamber in the brief year and one–half I have been here.

Mr. Williams: Call them turbot.

Mr. Morrison: Yes, perhaps turbot. We were supposed to be debating the Reform Party's motion on the reform of the Canadian health care system. We heard a dissection of the American health care system which is totally irrelevant to the discussion being held here today.

We heard the hon. member saying that we must have good health, that good health is so valuable. Who is arguing? Let us get down to basics and talk about the motion instead of dragging in these straw men, setting them up and kicking them down.

I wish I had the hon. member's gift of eloquence but I thank heaven I do not have his gift of logic. He will not stick to the issue. He wants to know what local administration of health means. I can give him a good example.

I was born and raised near Swift Current, Saskatchewan in what was known when it was first formed 50 years ago as health region number one. It was the first medicare system in Canada. It was an experiment. My family helped to create it. They worked hard for it. It was a great success and do you know why? Because it was run by a bunch of country doctors and municipal reeves. It did not have a giant bureaucracy leaning over its shoulder telling people what should or should not be done. It was a wonderful system.

When the Canadian medicare system was finally set up some 20 years later the results of that experiment were ignored. It was thrown out the window. A massive federal bureaucracy was set up to oversee the medicare system we had worked so hard for. Our system was efficient, it was effective and by God it was cheap. Nobody went without medical care. If we did not have the specialists available in our rural area to do certain procedures, we sent them somewhere and we paid the bills. That is what local control means.

In this day of marvellous communications we do not have to go that small. However surely to heaven we can put it at the provincial level where politicians have to respond directly to the people who elected them, where the system is run by the people who are most directly concerned. That is what local control means. That is anathema to the Liberals because they are the great centralizers, the great controllers.

Mr. Alcock: Mr. Speaker, I will only take a minute to respond.

I would urge the member to get a copy of the Canada Health Act. There is nothing in the Canada Health Act that prevents local involvement, local control. We have medical regions in my province. The hospitals have boards. There are some restrictions. The Canada Health Act states that the provinces will pay for any service that is medically necessary. We cannot decide in a local region to de–insure somebody for a medically necessary service. We cannot make that decision because we as Canadians made a decision that everybody in all parts of the country would have access to medically necessary services.

• (1625)

The member raises the spectre of a huge bureaucracy centralized in Ottawa that makes all these decisions. Does the member know how many people it takes to administer the Canada Health Act? Has the member ever bothered to check the size of this huge bureaucracy? There are 25 people who make the decisions about the Canada Health Act.

I have nothing against local control and local involvement. That is something we promote. We went around designing a series of health regions with elected boards and everything else. It was done in British Columbia and Manitoba. However, that is very different from saying that we will have a two–tier system where the rich get one kind of help and others do not, or that rich provinces will have a particular kind of health care system and poor provinces will not. We are all Canadians who want to see a country that includes and brings everybody into the Canadian family, not one that kicks a few out.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am glad to participate in the debate on the Reform's motion on health care today. I would like to try to put to rest some of the misconceptions and untruths by our friends on the other side of the House.

We have heard so much about the two–tier system. The two–tier system has already been created.

Someone who has money can get something fixed today. He can go south to the United States and get any medical treatment

he wants. It alleviates the necessity of the Canadian taxpayer to pay for it. It costs, but the person can have it right away.

The other is our Canadian health care system which will deliver non–emergency services sometime down the road in maybe a year or more. That is the health care system we have today. It is the one which is eroding and deteriorating significantly. It is being starved for cash by this government.

The government clings to its five universal principles that it cannot ensure and guarantee any more. That is the two–tier system which exists under this Liberal government and the two–tier system we are opposed to.

Now we are in a financial crunch. The system is broke and is falling apart. People are in desperate need of surgery and are having to wait a long time. One per cent of Canadians are waiting for elective surgery. This is not 1 per cent of those who are sick. According to the Fraser Institute, today 1 per cent of Canadians are waiting for the health care system to deliver and it cannot.

Those who have money can go across the line and spend money in another country. This is equivalent to importing which is detrimental to our economy. They can buy any service they want. Therefore, we have a two–tier system. It is not the one we would propose or that we even like. In fact it is the one we are totally opposed to.

However we are saying that there is a guaranteed need. The Reform Party is absolutely committed to ensuring that all Canadians have access to medical services and they should be able to have it now.

Someone may want more than the basic minimum and may want to pay for a longer hospital stay or a private nurse at their bedside. I say be my guest, at your cost.

• (1630)

There are many ways that we can resolve the problem. However, before we talk about resolutions let us continue to look at the problem.

I have a letter from the Sturgeon Health Unit in my riding. It is dated September 9, 1994. It is a generic letter to its patients:

> Dear Home Care Client:
>
> As you may be aware, the increased demand for home care services has far exceeded the available resources. There is decreasing access to acute hospital care. Increasing numbers of people in the community need high levels of support to compensate for disabilities.
>
> In order to continue to provide essential, basic service to those in greatest need, we have asked home care co–ordinators to review their caseloads and reduce services where possible.
>
> We recognize that assistance with homemaking enables many clients to remain at home longer. Currently, however, homemaking will be limited to those people who would face an immediate move without the service. This means that families may have to provide more assistance or purchase the service. The Home Care Program recognizes the significant contribution family caregivers make to home care clients and regrets the increasing expectations placed on families. It is hoped that increased funding will soon follow the demand for community based care.
>
> Sincerely,
>
> Carol Sims, R.N.,BScN.
>
> Director, Home Care

The letter says there is decreasing access to acute hospital care. That is not Reform policy. That is not because of Reform Party actions. That was happening in 1994 and it is happening in 1995. It is happening in the country now under the government and it accuses us of proposing a two tier system. The letter says: "In order to continue to provide essential, basic service to those in greatest need, we have asked home care co–ordinators to review their caseloads and reduce services where possible". Only those in serious need will be looked after. The rest will be passed over to the families to look after because the government does not have any money.

This is not a letter from someone who is peripheral to health care. It is not a letter from someone being denied health care. It is a letter from the very heart of our health care operation where decisions are being made to deny health care services except to those most in need.

We have a two tier health care system today. We have it in the worst possible way. That is exactly why the Reform Party put forward this motion which says things must change. It is not because we simply want to change things; we recognize the health care industry is sick and needs to be revitalized. We are asking questions about how that should be done.

I said earlier the Liberal Party seems to be stuck with its head in the sand on the five principles: universal, affordable, comprehensive, publicly funded and publicly administered. The Liberal Party says that is it, the debate is finished and there will be no more discussion. In the meantime the government is cutting back the money it is prepared to put into the health care system by the billions. In the last budget the Minister of Finance cut it back again and said: "Provinces, it is all yours. Remember that you must abide by our five principles that we refuse to let you off the hook on".

In Alberta the Minister of Finance gave a severe warning. He said unless it stops these practices that do not meet the definition of the five basic principles, Alberta will be cut back on its funding.

• (1635)

We all know that every province is providing these same types of services where doctors, hospitals and clinics are charging additional fees. For some reason Alberta was singled out as the big bad ogre and was told to toe the line or it would be cut back. The Minister of Health said nothing, not a word, about the other provinces.

Alberta is wrestling with reduced budgets and less money to resolve the problems. It is being innovative. It has reorganized its system. I will not say I think it has resolved every problem the best way it should but it is trying and it is doing its best to grapple with a system with less money to ensure the services are there for those who need it.

With respect to the two tier system in order to reduce the cost of health care, we must introduce that dreaded word competition. That is deemed the code word for the American style of health care but I say there is no competition in the United States. That is a closed shop. It may be privatized but it is a closed shop and there is no competition.

If we are to control the cost of health care we must introduce competition. Competition can show up in many different ways. Competition means that we have a choice. If we have a choice between A or B and we decide to always choose B, then A disappears through lack of funding.

We find our health care costs are 50 per cent higher than those in Europe. In the last few days they have made some references in the Liberal camp to the fact that we are trying to bring health care costs down because Europe has a wonderful system and it only consumes 5 per cent or 6 per cent of GDP, but we are up closer to 10 per cent of GDP. Why is that?

I was in the UK last summer. To give an anecdote, my sister who lives over there had surgery a year ago and had to attend the outpatient department in a large hospital. When I say a large hospital, I mean a large hospital. It serves .5 million people.

We had to be at the outpatient department at 11.10 a.m. and after we had been there my wife and my sister and I were to go shopping and so on. I thought: The day will be gone before we get out of the hospital; an appointment at 11.10, they will see us at 1 p.m and by the time we get out of the doctor's office it is 2 p.m and it is time to go home.

I could not believe it. My sister had seen the doctor and we were back out on the street at 11.30 a.m., 20 minutes after her appointment time. I was amazed. How did this happen? I investigated to find out.

Medicare is free there. What has changed since I had last seen medicare there is the UK has introduced a couple of things. One is internal markets and the other is called social charter.

The social charter basically says any government organization that deals with the public in a monopolistic environment has to publish minimum standards. These minimum standards are not enforced on them but they have to decide their own minimum standards and publish them.

In the outpatient department of this hospital the minimum standard that the hospital had published was to see its patients within 30 minutes of their appointment time. It sounds good to me. It went a little further. It said that if the hospital cannot see the patient within 30 minutes, fill out this card, pop it in the mail and the hospital will not get paid for providing the service.

• (1640)

All of a sudden we have accountability. Right there we have accountability. If it cannot meet its minimum service standards it does not get paid. Now it has a challenge to provide service. Two out of five principles, publicly funded and publicly administered, which the Liberal government has, totally and absolutely fall down.

Until one provides competition there will never be service. That is why we have to wait a year or more for surgery. Competition ensures it looks after its patients. That is the type of thing we are trying to start a debate about in this country, that provided accessibility.

I talked about the concept of internal markets. Every hospital is required to get on to a true and proper cost accounting basis, just like business. That is all; we are not asking them to do something impossible. We are asking them to do their accounting by the same rules as business. Then when the regional health units have a budget to look after their clients, they have to spend money. Let us take something quite expensive such as bypass surgery.

They will choose the hospital that meets and exceeds standards, that can provide the service and also does it for a lower fee. Now we have hospitals competing on price. That ensures that each hospital keeps its costs down. That is how we introduce cost savings and bring health back into the medicare system.

Health care in the UK to the consumer is still free but the UK has introduced internal markets, social charters and it has competition. The health care system in the UK is costing a half to two–thirds of what it does in this country.

The Liberals cling to the idea that only publicly administered and publicly funded hospitalization and medicare is the way to go as we watch it crumble before our eyes. The UK was the pioneer of socialized medicine. Fifteen or twenty years ago it was in the turmoil we are in today as far as trying to afford health care services. It introduced these new ideas and has been able to improve the service, improve the quality and ensure competition. By allowing competition it has also allowed private funding to come into health care.

When I say private money, is that such a dirty word? We all say we cannot have profit in medicare. I defy anyone to find anybody in the health care industry to say they will continue to do what they are doing for nothing.

Everybody is in for the paycheque, the profit they make on the sale of the equipment, on the hospital they build, and so on. That is why the other thing we have to introduce is a real and true market. Market makes the right decisions.

We have seen it time and again. My riding is a perfect example. Health care built a brand new hospital four or five years ago at a capital cost of $50 million. It sat empty for a couple of years before the operating money could be found to open the doors. Now it has been downgraded from a hospital to a health care unit. This is in the city of St. Albert. All these were political decisions. They were not market decisions. We have wasted millions and millions of dollars on these kinds of decisions.

• (1645)

Access to health care is not available today, even though universality is talked about. The definition of universality does not mean access because people are waiting up to a year and sometimes longer for elective surgery.

Affordable? Yes, we want to ensure that all Canadians in any part of the country have access to health care. That can be basic health care. There can be a deductible charge of 5 per cent or $5 or $10 to make people think because as soon as it is free, there is abuse.

Yes, we want to ensure that health care is available for all. However, we totally disagree that publicly funded, publicly administered, non–competitive, political decisions by bureaucrats, politicians and committees are the only way to run a health care system.

There are all kinds of situations in the private sector. From the food we grow to the vehicles we drive and the buildings we live in are all provided at standard or above standard by the private sector. It is done on a competitive basis. It ensures the highest quality and a variety of choices for the consumer.

In conclusion, I strongly endorse the Reform Party proposal. I would like to see a national debate on health care. I would strongly ask my Liberal colleagues to re–examine, and I have to say it again, their heads in the sand approach to publicly funded, publicly administered health care that has proven it does not work.

The Acting Speaker (Mr. Kilger): We will go to questions and comments. I would ask you to keep your questions and comments brief so that I might recognize as many members as possible.

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, I am pleased to have the opportunity to question my learned colleague from St. Albert.

Where are these great waiting lists the member talked about? Who are the thousands of people who have gone to the United States in search of services? I have one of the largest ridings in the country. I do not have these large numbers telling me about this. On the contrary, I hear a lot of people complaining about the provincial government and the way it administers services.

It is interesting that the hon. member used the Fraser Institute to support some of his information. Really, that is the *Pravda* of the political right in this country.

While I agree with some of the comments the hon. member made with respect to the home care issue, I would hope he would take the time to read the Canada Health Act. Under the Canada Health Act our requirement is only to deal with hospital services and MD services. If we want to talk about the home care issue, we have to go beyond the act. Therefore, he is really speaking out of context.

All the provinces, including Alberta where the member comes from, support the five principles. It is interesting that the comment has been made that the province is not in agreement and in particular that the member is not in agreement with the five principles. Could he tell us which part of the five principles he or the Reform Party is prepared to abandon? I presume he is speaking on behalf of the Reform Party since he is a member of that party.

I also want to point out to the hon. member that when we compare ourselves to the United States where competition and market forces exist, 39 million people in the U.S. have absolutely no protection and are in no position to get sick. Another 39 million in that same jurisdiction where this great aura of competition exists are also underinsured.

Does the position the member has taken here today really deal with whether or not members of his party are prepared to understand the full implication of what they are lamenting here today? Before the hon. member answers that question, there are some other examples which I think have to be taken into account.

• (1650)

Dental services are not covered in Canada. Most people will not go to a dentist to get necessary treatment because they are concerned about the possible costs being assigned to them.

Mr. Grubel: How do you know that?

Mr. McTeague: I know that for a fact because my wife is a dentist. That is the evidence I am prepared to support because I am speaking from truth, unlike my hon. colleague's friends over there.

My concern is with the hon. member. I would like—

The Acting Speaker (Mr. Kilger): Order. I hope I am not overreacting. I know members feel very strongly about each and every issue we debate. I think there would be unanimous agreement in the House that the issue being debated today is of critical interest to all Canadians and all parliamentarians here in the House, particularly those taking part in this debate.

As to the matter of truth and who has the best ownership of truth, there is certainly no sole ownership and I will leave it to all of us to debate. I would ask members to be very judicious in their selection of words. Would the hon. member for Ontario please conclude and ask his question to the hon. member.

Mr. McTeague: Mr. Speaker, I take that under advisement. Can the hon. member tell me what he really means when he talks about competition and its full implications on Canadians given that we have a universal, acceptable system that is working for the benefit of all Canadians?

Mr. Williams: Mr. Speaker, I will answer the question of what I mean by competition.

I gave the United Kingdom example, not the United States example, where the cost to the consumer is absolutely free. Yet even the United Kingdom has developed internal markets where hospitals can compete against each other in delivering price, service and quality. These are the three fundamental elements of service one finds when there is competition. If we eliminate competition, we find waste, mismanagement, poor service and declining quality. These are the things we have in our health care system today because of lack of competition.

I said nothing about the American situation except that I did not even consider it to be a competitive market. I used the United Kingdom as an example. It is the cradle of social health care systems in our western world.

The hon. member's first question was on which of the five principles we would abandon. We would abandon the 100 per cent publicly funded principle. We would still ensure that health care was largely funded by the taxpayer, but we are not saying there should be an ironclad guarantee that it has to be 100 per cent. I believe publicly administered elimination of competition is totally detrimental to our system.

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, I think the member for St. Albert really does not get it especially when he advocates competition among insurers. The evidence is absolutely overwhelming that when there is a single public insurer as we have in this country, that is by far the most efficient and cost effective system. The one way we can control costs is when we have one public single insurer.

I was watching an American doctor on CBC television last night. Perhaps the member also saw him. His name was Dr. Katz. He spoke about the American system with competition among insurers which the hon. member champions. He said that the doctors and insurers cherry pick. They are not interested in you if you do not have money and are not wealthy. Can you imagine a system in this country where there was competition among insurers? Does the gentleman from St. Albert really think if he had a long history of heart trouble, the competitive system would be interested in him? Of course not.

The system with competition among insurers is only interested in the healthy and the young. You talk about privatizing the system. That is what you are talking about.

The Acting Speaker (Mr. Kilger): Order. I would like to remind members to direct their interventions through the Chair.

Mr. Harvard: Mr. Speaker, I want to make one more point. When we privatize the system there is no trouble in taking costs off the public books. We could transfer $1 billion or $2 billion, perhaps even more from the public books, that is medicare, over to the private sector. When those costs show up in the private sector, because of wasteful competition the cost will not then be $1 billion or $2 billion, it will be $3 billion or $4 billion.

• (1655)

The hon. member is dealing in illusion, is that not true? That is my question.

Mr. Williams: Mr. Speaker, if the hon. member for Winnipeg St. James does not understand how competition works, then I would propose that he is the one who is under complete and absolute illusion.

I will refer to the point made earlier by the member for Beaver River in talking about health care and will use the point of the member for Winnipeg St. James who is a government member. Why are members of Parliament entitled to a benefit under the public service health care plan that costs us absolutely nothing yet all other members of the plan, be they civil servants, have to pay $10.35 a month as family members? That is the first of this two–tier system which is creeping in.

Not only that, the member for Ontario has told us that dental services are not covered under health care. Why not? Why would people not want to have dental plans if they want to have their health plans? Because the country cannot afford it. We must realize that there will be abuse of the system unless there is a fee for use, however small.

I will finish on the last point the hon. member made. The member for Winnipeg St. James may think that one single insurer, be it the government, is the most efficient way to run a program. I am sorry but I think he does not understand the first simple fact about economics which realizes that competition gives the best quality and the best service at the lowest price. That is the point.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, it seems to me there is a certain amount of confusion in the member's mind and I do not say that unkindly.

Would the member take the time to rapidly identify the expectations from the federal and provincial governments in the

ideal health care system he described? Many of his expectations in his comments do not belong to the federal government, constitutionally speaking.

Just to give a very quick example about the confusion, in the Canada Health Act there is no prohibition on profit. There is a section where it is not possible to have a health care system that makes a profit. It must be operated on a non–profit basis.

My colleague seems to confuse the two in the Canada Health Act on that particular feature. I get the impression that my colleague is looking for a Pizza Pizza health care system. That is what it sounds like to me. Would he care to comment?

Mr. Williams: Mr. Speaker, my comments were made in all seriousness and had nothing to do with pizza whatsoever. I was merely trying to make a point that competition provides the best service and the best product at the least price.

As I said, in the United Kingdom, not the United States, the cradle of social health care has introduced internal markets where one health care institution competes against another. In that way they are seeing the price come down, the service go up and the quality remain high. At the same time the taxpayer is getting a better deal and a better return on his investment. That is in the United Kingdom. It has nothing to do with the United States. It is still absolutely free to the consumer.

My point is there are many options. The hon. member asked me how I would see the ideal system. The federal government is retreating from funding of health care from 50 per cent down to 23 per cent and falling rapidly. Surely it should recognize that its insignificant contribution it is now making will force the hands of the provinces to go their own way. Therefore because it is a provincial responsibility under the Constitution I feel they should be making up their minds on how it should be done.

• (1700)

[*Translation*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Notre–Dame–de–Grâce—Access to Information Act.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I will share my time with the hon. member for Winnipeg North.

It is a great pleasure for me to participate in the debate on health care today. There are few issues which we speak of here which touch as many Canadians as health care. It is a central issue to the people of my riding, as it is to all Canadians. They appreciate the security which our health care system gives them and they firmly believe that commitment must be continued.

As we are in a time when there are questions about the commitment, some in the House favour steps which I believe would move us down the road to a two tier system, one for those with money, another for those without. Some in the House favour the balkanization of health care with a withdrawal of federal government from any real role in the health care field. How much support is there really for either of these perspectives? From what I hear from my constituents, not very much. They support the leadership which the federal government has taken on health care issues.

Leadership does not mean rigid centralization. In my remarks today I want to emphasize the flexible nature of federal co–operation in health care. More specifically, I want to talk about the Canada Health Act. This law is not a straight–jacket on the provinces; not now, nor has it been, nor will it be in the future.

The Canada Health Act is a very short piece of legislation. At its heart are five principles grounded in common values which we hold as Canadians, values very close to the hearts of every Canadian. They represent the essential ground rules that most Canadians expect the provincial and territorial governments to respect when it comes to guiding principles of the Canada Health Act. Let me talk about each one of them and the reasons for which every one still matters to the federal government and to every single Canadian.

The first principle is universality. Quite simply, the federal government provides financial support to provincial health insurance plans, plans that cover all citizens. People cannot lose their health insurance because they might be too costly for the system to cover or because they may be unemployed or because their health may be a high risk.

The second principle is accessibility. This means we should not face any financial barriers in receiving necessary health care: no extra billing, no user fees, no facility fees. If the service is medically necessary it will be delivered on the basis of medical considerations, not financial considerations.

The third principle is comprehensiveness. It recognizes Canadians have a range of health care needs and that those needs should be met. The Canada Health Act requires that all medically necessary services be covered.

The fourth principle is portability. This means Canadians should maintain their health coverage when they travel.

The fifth principle is public administration. Our health insurance plans must be operated by a public authority accountable to provincial governments and operated on a non–profit basis.

At various times since the act was passed in 1984 there have been issues that have brought these principles into focus. Between 1984 and 1987 extra billing and user charge penalties were levied against several provinces.

• (1705)

More recently, extra billing has occurred in British Columbia and we have acted by making deductions to the transfer payments. We now see other questions emerging, for example, as the Government of Alberta pushes its agenda of private, for profit health care.

These principles do not extend to dictating how provinces should run their system or what they should cover. Since the beginning of federal support for health care in 1957, decisions regarding what is a medically necessary service have been up to each of the provinces to determine. After all, they manage the system. They have the constitutional authority. They work with the appropriate medical experts and also pay a substantial portion of the cost. It is not for Ottawa to say this procedure or that procedure must or should be covered.

It is better to leave the responsibility of determining medical necessity to the provinces and to physicians who deliver services and are aware of the circumstances under which they are delivered.

The Canada Health Act also leaves much to the discretion of provinces; ensuring the services of health care professionals other than physicians, charging for semi–private or private room accommodations requiring prior consent for elective health services provided out of province, and financing for a variety of methods not including those that require point of service charges.

Remember, the Canada Health Act does not force a province to comply to its requirements. The provinces can accept the cash penalties and allow the non–compliant situation to persist.

These facts alone show that any claims of rigid centralization are simply not founded. That will continue to be the case as we renew the health system.

The federal government and the provinces recognize the health system has to change. Provincial authorities are trying many different ideas in their efforts at renewal. They will continue to experiment but as long as they adhere to the five principles of the Canada Health Act it is unlikely there will be any disputes.

Not one of the principles in the Canada Health Act prevents us from looking at innovative solutions to health care issues. They simply define the limits of the system in a way that Canadians who rely on the system want it to continue. It is not a free for all. Canadians believe some limits are necessary and useful to preserve our accessible and comprehensive health care system which is available to all Canadians.

The federal government is equally committed to finding better ways to achieve our health goals. The most high profile element in that approach is the National Forum on Health. This was a red book commitment and it is a commitment that we have met.

The forum was created to help us adapt our health care system to the new social and economic realities of today. It will create a vision for health in the 21st century. It is made up of 24 Canadians, health care professionals, volunteers and health care consumers from across the country. It is chaired by our Prime Minister, with the Minister of Health acting as vice–chair.

Canadians understand these issues, as does the forum. They want to spark a frank and open dialogue with each citizen about the challenges that will influence the kind of health care we will receive in the future.

There is the impact of technology, the impact of new drugs, of aging and emerging possibilities thanks to research and great technological innovations. Our challenge is to deal with them in a thorough, comprehensive and sensitive way.

We anticipate an open process of consultation that reflects the attachment Canadians feel toward health issues and the commitment to finding real solutions. The government believes the National Forum on Health represents an excellent opportunity to address the future of health of all Canadians in a comprehensive and open way.

The forum is not going back to square one. It is working within the principles of the Canada Health Act quite simply because those are fundamental values that every Canadian has asked the government to respect, to maintain and to deliver on.

• (1710)

I want to end my remarks by saying that despite the ill informed critics, the Canada Health Act is still a valuable piece of legislation, one that enjoys the greatest support of the public. It is probably the greatest factor that binds Canadians together today. It is the underpinning of a system based on universal access to high quality, efficiently run health care. It is not a monument and our task is to find new and efficient ways to achieve better health goals for all Canadians.

As we undertake this process the federal government will continue to be an important source of the funding that keeps the system going. It will continue to be a staunch defender of the Canada Health Act. It will still work with medical practitioners and professionals, but we will protect the system.

The federal government intends to play the national role in health care that Canadians have asked us to do and that Canadians expect we will do. The Canada Health Act will be an important and flexible part in the role of health care in the future.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I am pleased to address this motion put before us by the hon. leader of the Reform Party:

> That this House recognize that since the inception of our national health care system the federal share of funding for health care in Canada has fallen from 50 per cent to 23 per cent and therefore the House urges the government to consult with the provinces and other stakeholders to determine core services to be completely funded by the federal and provincial governments and non-core services where private insurance and the benefactors of the services might play a supplementary role.

I hasten to say that by laying out his party's true agenda for health care in Canada, the leader of the Reform Party has dispelled any doubt that his party stands against medicare as we know it today with its five principles of universality, accessibility, comprehensiveness, portability and public non-profit administration.

So many times in the House we have heard members opposite insist they support medicare. What we have in this motion is the Reform Party's advocacy for a multi-tier health system, one standard for the rich and one standard for the poor.

His motion proposes governments get together with stakeholders to determine core services and non-core services. The member further proposes that only core services be completely funded by governments, while non-core services be left to patients who, in the Reform Party vision, should pay out of pocket for supplementary health insurance.

The Acting Speaker (Mr. Kilger): I wonder if I could draw the attention of the colleagues nearest the member for Winnipeg North. A microphone very close by is also open and we sometimes have some difficulty hearing interventions. I ask for your co-operation.

Mr. Pagtakhan: This kind of approach by the Reform Party of cost cutting simply will not work.

I call the attention of the member opposite to a recently published book entitled *Public Finance in Canada*. It states that increased cost sharing in government medicare plans, where the policyholders can afford them, have great potential for reducing health care spending. However, it adds for such plans to be effective governments will have to ban the development of supplementary health insurance that will turn the patient's share of cost into a third party payment.

Simply put, increased cost sharing will have to be made mandatory and applied to all insurance plans, public and private, which would require increased government regulation of the health insurance industry.

I am perplexed that the Reform Party with its penchant for less government involvement is now calling for the very opposite. Is this a deliberate change of policy or a lack of understanding of the dynamics of health care financing in Canada?

• (1715)

The Reform Party is proposing a return to user fees. One very noted Canadian health care economist said that this is like a zombie, not to be resurrected again. User fees deter necessary care just as much as frivolous care. Reformers are showing signs that they have not even read the literature.

I am proud to be a member of the Liberal Party of Canada, which in 1919 conceived the idea for a national medicare plan. It is a party that in government gave birth to its reality. It is a party that when in government again nurtured and restrengthened the national health policy with the passage of the Canada Health Act of 1984. It is the legal centrepiece of our medical system as we know it today and a system that bans user fees and insists on equal access for all citizens regardless of their financial means.

The proposal by the Reform Party might not pose a problem for those with six or seven figure incomes but for me, for my Winnipeg North constituents and for the vast majority of Canadians it is utterly unacceptable. Inevitably we would be left with a system in which only the financially fit would survive. That sort of social Darwinism is anathema to the government.

The government is not looking to make Reform Party style compromises where the health of Canadians is at stake. Yes, this government has acknowledged the need to contain health care costs, which in 1991 were roughly equal to 10 per cent of the gross domestic product.

The difference between the government approach and the policies embraced by the party opposite is that the government is not prepared to surrender the principles of medicare to fiscal constraints but instead is working to balance fiscal responsibility and the preservation of medicare.

The solution is not easy. The government believes in a more imaginative approach than simply wielding a broad scalpel and cutting away indiscriminately at medicare as the Reform Party proposal would do.

Utilizing alternative modalities to achieve desired health outcomes and substituting equally effective lower cost treatment approaches for the traditional are parts of a strategic approach to meaningful reform of the health care system.

For example, more patients could be managed at home on an outpatient basis rather than in hospital. Patients could be encouraged to see their family physicians before consulting specialists. Medications could be used instead of surgery where possible. Other health care professionals could substitute for medical doctors in defined areas of treatment. Some of these approaches may require legislation to ensure that health care professional substitution does not compromise standards.

Another means of controlling expenditures without compromising quality of care involves eliminating costly waste in our system. Just as certain established medical routines, such as annual physicals and routine chest radiographs of tuberculosis patients on follow up have been discredited as effective and efficient health policies, other diagnostic and therapeutic routines should be scrutinized. There could be a greater reliance on physiotherapy and less on orthopaedic surgery.

Physicians should not hesitate to debate the issue of human resources supply in relation to the per capita needs of the community nor the issue of arranging funding so that moneys will be allocated according to patient needs and not the provider's level of activity.

All of these elements and many more constitute an effective health care reform strategy which would ultimately yield greater dividends for all Canadians in contrast to the quick fix, multi–tiered system the Reform Party proposes.

The government has positioned itself as a staunch defender of medicare as we know it but that does not mean it is committed to the status quo. It means that the government will continue to explore creative and cost effective options for maintaining health care for all Canadians in accordance with the five principles of medicare.

That is why the government has launched the National Forum on Health chaired by the Prime Minister. That is why the Canada health and social transfer program is now being negotiated between the provinces and the federal government, giving provinces the flexibility to deliver the health care system but, at the same time, maintaining the five principles of medicare. Then and only then can we ensure the crown jewel of our social programs survives and is strengthened. We can also ensure the quality of health care for all Canadians, rich or poor.

In conclusion, I appeal to the Reform Party to withdraw its motion rather than face the certain defeat it merits from the majority of the House, who have been sent here by the vast majority of Canadians to be their voice and their guardians and to defend, preserve and strengthen medicare.

• (1720)

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I was quite eager to note the emphasis the member for Winnipeg South put on one of the principles of their pillars of health care, accessibility. If I may read again from the letter from the director of home care at the Sturgeon Health Unit, Carol Simms: "There is decreasing access to acute hospital care".

I would like to ask the member for Winnipeg South if this is the type of access he wishes to guarantee where people who have need of access to an acute care hospital cannot get it under this system? Is that the type of access he wishes to guarantee for Canadians?

Mr. Pagtakhan: Mr. Speaker, of course that is not the access I would like to see happen. We recognize the problem and it must be solved. But their treatment for the problem is wrong. That is the difference between the Reform Party and the Liberal Party.

We must explore the means to solve the problem, not propose a solution that will create another problem where the ultimate result is even an greater lack of accessibility to the health care system.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I was interested in the comments from the last exchange. The hon. member for St. Albert mentioned his concern about home care in his riding.

I read an interesting article the other day. It said that the evolution of the medical practice involves more home care. Patients are better taken care of in their home environments and to some extent actually display better recovery rates. I wonder if what he is looking at is not a problem but a possible positive solution to some of the problems in health care.

Mr. Pagtakhan: Mr. Speaker, I thank the hon. member for his comment and question. Before I entered Parliament in 1988, I presented a paper in Australia at the International Congress on Cystic Fibrosis. My paper was about home care treatment of patients with cystic fibrosis, giving them intravenous antibiotics at home. It can be done. We were able to decrease the health care cost sixfold. At the same time, even more important, we were able to enhance the quality of care for these patients.

I congratulate the hon. member on his insight as to the importance of home care. We must provide the resources for home care and not misplace our focus on a wrong approach as the Reform Party is trying to propose.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, as a professional economist before coming to Ottawa I had taken some interest in the economics of health care. In 1992, I published two editorials on the subject in the *Medical Post.*

Today I would like to share the most important insights about the problem of health care I have gained from these studies and suggest some policy initiatives based on them. These ideas are my own and not necessarily those of the Reform Party.

I believe the public provision of health care through the present Canadian system is bedevilled by a fundamental problem which is due to the absence of a deductible and of co–insurance. This problem is amenable to relatively easy solutions once political and ideological rhetoric is put aside.

Of course, the system has other problems. There are no patent solutions. Some of these problems involve fundamental issues of technology, incentives, values, ethics and morality. I will not discuss these today.

• (1725)

I would like to remind everyone that the Canada Health Act has created a gigantic system of insurance. Every Canadian contributes premiums through general taxes. Benefits are provided to anyone without the need to pay financial deductibles and co–insurance. As everyone knows, our system has produced a wonderful world in which every taxpaying Canadian is eligible to receive free of any charge general medical care, specialized services and hospitalization. Congratulations Canada.

In my view, one of the most important reasons for the financial problems which undoubtedly now are haunting our system stem from the absence of deductibles and co–insurance. I have reached this conclusion because the absence of restraint on demand stemming from this completely costless service has resulted in very large increases in demand. This is not a universally accepted proposition. Therefore, I would like to illustrate its validity by making reference to two historic experiments of public insurance systems that failed because of the absence of deductibles and co–insurance.

The first involves the government automobile insurance monopoly introduced by the NDP government in British Columbia in 1972. It started with great fanfare, having no deductibles at all on any repairs on cars, on the grounds that even small scratches and dents on cars ultimately lead to more serious problems. Therefore, it was argued it was wise to encourage repairs of such damage at no cost since some shortsighted owners might be discouraged from having the work done by a deductible of $50 or $100 or whatever it might be. The rest is history. The policy was cancelled by that same caring, foresighted NDP government because it was simply too costly.

The second experiment involved the British government, which in the early days of the public health scheme argued that no one in Britain should suffer because he or she did not have the money to pay for medication. I have heard the same arguments here about access to health care. I wonder why the rhetoric from members of the Liberal Party has not also extended to medication. After all, some people are suffering because they do not get all the medication they want just like that. They may have to spend some money.

The universally free dispensing of medication was ended after only a short time. Costs had become much higher than had been anticipated by a study of demand, a study which had been conducted under conditions when people paid for their medication. Studies have shown that if the cost is free it is easier to go back to the pharmacy to get medication rather than look for it in the medicine cabinet. People ended up with huge stocks of medication which were finally flushed down the toilet at an extremely high cost to society.

These two examples are instructive for Canadian medicare. The policy of having no deductibles or co–insurance in Canadian health care was motivated by the noblest of intentions, just like they were in the case of automobile insurance and free medication in England.

We need to take care of the needs of the most poor in society and we must prevent serious problems which might develop if small ones are neglected. The two experiments were terminated because of the universal law of demand. The price was too low and demand became too high. I believe that what we are seeing after 20 years of operation in Canada is exactly the same situation. That is one of the main reasons why the Canadian health care system is in such financial trouble.

There is a fairly straightforward solution: introduce user fees. However, there is a strong resistance in Canada to the use of this instrument.

• (1730)

We heard them just a few minutes ago. The arguments are the traditional ones: care about access for those who cannot afford it, and those who, even if they can afford it, are stupid enough to let illnesses go and the consequences will be more costly than if they had taken care quickly of the illness symptoms at the beginning.

Some even argue, somewhat more sophisticatedly, that the inconvenience of visits to physicians and the risk associated with all medical procedures represent a strong deductible and co–insurance. Others argue that the deterrent effect of such measures is small and not very cost effective. This is the position taken by my colleague at the university of British Columbia, Bob Evans, a professor of health economics, one of the most highly respected and best known economists in Canada. I disagree with him.

The arguments against deductibles and co–insurance involve empirical judgment on the way in which these incentives are introduced. I would now like to propose and outline briefly a scheme for the introduction of co–insurance and deductibles, which I have published in the *Medical Post*. It can be summarized quickly as follows.

Every doctor visit or treatment by a Canadian elicits a government notification of the cost involved. One gets a little postcard saying that your visit on such and such a day cost society and you $30. At the end of every tax year, the value of the medical services consumed is added as income when we file our income tax.

Think about what this would do. The poor would have access. Universality of access would be preserved. In the end, the poor would not pay anything. One of the most cherished, basic,

fundamental characteristics of our system would be preserved, one I think is worth preserving. Of course, the better off who have income tax to pay would as a result pay a share of the cost they have incurred on society.

Now I must state something that immediately comes up whenever I discuss this in a public forum. Of course there would have to be a ceiling to the amount of money that individuals would have to add to their income tax as income and on which they pay taxes. I do not even want to venture what it is, but maybe nobody would have to pay more than 5 per cent or 10 per cent of their income.

One of the most important things that every health care system must present is protection against the catastrophic consequences of serious illnesses. That could be preserved and will be preserved by the proposal I have just outlined.

One of the biggest problems I have is with the idea that these incentives of people paying their own money, in a way, having a deductible and co–insurance, would not work. Just recently I received some information about experimentations that are going on in the rest of the world. I would like to share these ideas with members.

I found the following. Most health economists agree that the primary reason why health care costs are rising is that the money we are spending in the medical marketplace is usually someone else's. More than a decade ago, the Rand corporation discovered that when people are spending their own money on health care, they spend 30 per cent less, with no adverse effect on their health.

Now it turns out that in the United States some employers are experimenting in putting this principle to work. Please do not be turned off by the idea that I have just mentioned that this is taking place in the United States.

Let me set the stage. Here are companies whose names I will read off that have for their employees systems of health care that are superior to that available to every Canadian. They have health insurance from the first dollar. They have catastrophe insurance. They are employed. They are very well taken care of.

• (1735)

Here is the experiment: *Forbes* magazine pays each employee $2 for every $1 medical claim they do not incur up to a maximum of $1,000 a year. For every time they look at what it costs to go to the doctor and they decide not to go during the year, they can earn as much as $1,000 extra income. *Forbes'* health costs fell 17 per cent in 1992 and 12 per cent in 1993.

Another example: Dominion Resources, a utility holding company, deposits $1,620 a year into a bank account for the 80 per cent of employees who choose a $3,000 deductible rather than a lower one. The result is the company has experienced no premium increase since 1989, while employers face annual increases of 13 per cent.

Another example: Golden Rule Insurance Company deposits $2,000 a year into a medical savings account for employees who choose a $3,000 family deductible fee. The result is in 1993, the first year of the plan, health costs were 40 per cent lower than they would otherwise have been.

Take the United Mine Workers, a union that is very concerned about the welfare of its members. Last year they had a health plan with first dollar coverage for most medical services. This year they accepted a plan with a $1,000 deductible. In return, each employee receives a $1,000 bonus at the beginning of the year and employees get to keep whatever they do not spend. As a result, the mine workers still have first dollar coverage plus all the catastrophe insurance coverage and all that, but now the first $1,000 they spend will be their own money rather than their employer's money.

These plans are popular with employees. They can save money in an amount directly related to their own effort. They are not deterred from seeking medical care by the traditional out of pocket deductible. They can usually use their medical savings to buy services not covered by traditional services, and they are usually not restricted to certain doctors, as they would be under a managed care plan.

We have here very strong evidence that deductible co–insurance works. It works in ways that satisfy the people who are involved.

Let me try in my own words to explain what are the fundamental benefits. These experiments have permitted individual employees to feel clearly and voluntarily that under a wide range of conditions they would have gone to the doctor if it cost them nothing, but when faced with the true cost of the doctor visit they preferred having the money instead.

It is important to note that under these medisave schemes that I have just described individuals retain the benefit of full protection against the consequences of serious illness. They are making these choices with their own money. We have just deleted the distortion the zero deductible and co–insurance system has introduced into the incentives of the individual. They are being misled by the system into believing that for them and society the cost of going to the doctor is zero. It is not.

As we can see, individuals like it if they are given the choice, the freedom to do so. They prefer it. And the system itself saves money. It is an opportunity that I believe we in Canada can also take advantage of. Of course there have to be modifications, because we want to preserve the current system of universality of access and all the other aspects we have just discussed.

• (1740)

Let me conclude by suggesting that these well documented experiences provide strong support for the effectiveness of introducing deductibles and co–insurance into the Canadian health care system through the tax system I just sketched. It could be modified and create more positive incentives by giving every Canadian a $1,000 tax offset against which the cost of medical services would be deducted. I think that very quickly after such a system is introduced people would know about it and they would pay attention to these things.

However, I believe these are details. I want to add to the current debate over the possible reform of the health care system the idea of using deductibles and co–insurance for routine medical services, administered through the tax system, while the system continues to provide universality of access and protection against catastrophic health costs.

Let me repeat: It is possible that this scheme—which not only I have proposed in the *Medical Post* editorial, but which has been proposed by the Fraser Institute competition for the reduction of the cost of government and has been proposed by other doctors who wrote to me after my publication—may very well be a way in which Canada can have all the wonderful qualities of our system we now have and create incentives for greater efficiency and prevent the demise of the system, which otherwise might collapse under the threat of excessive financial costs.

The Acting Speaker (Mr. Kilger): Questions or comments. I just want to remind the House that at 5.46 p.m. I will suspend the debate to move on to private members' hour.

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, I will ask two very direct questions to the hon. member, given that time is limited.

The system he is proposing is a claims bonus system. In my view, it contradicts the public health preventative care policy we are concerned with in this country. Someone who might, for instance, suffer a headache and does not go to a doctor or a health care facility might otherwise wind up with an aneurism, which of course will be more expensive to the health care system. That is only an observation, but it connects with my previous question.

A more important point is the one the hon. member made concerning deductibles. I am wondering if the hon. member has discussed this with his colleagues, including his leader, who during the 1993 campaign cited: "I want to make it absolutely clear that the Reform Party is not promoting private health care, deductibles or user fees". I think the hon. member has to check his facts and perhaps check with his leader. Could he please respond to that?

Mr. Grubel: Mr. Speaker, I thank the hon. member for this silly remark.

We are talking about something that has potential, regardless of what my leader said a year ago. I do not care. I present this as my personal opinion. Every time I go on a radio program or any time I present it to a general audience, they ask why we are not doing this. It is because of silly remarks of the sort I just heard.

Mr. McTeague: Your leader said it.

Mr. Grubel: My leader had not had the opportunity to hear what I had to say when he made this remark. It takes time for these ideas to spread.

I think it would be very much in the interest of Canada if members from the other side opened their minds just a little bit. There might be ideas out there that they have not thought of that would do exactly the same thing they want to do, except it would save the system at the same time.

Let me read something. Some critics claim that these medical service accounts that have been experimented with in the United States will encourage people to avoid preventive care. Yet experience shows that the reverse is true.

I wonder if the member would please listen.

Medical service accounts make money available immediately when the medical need exists. This allows people to make purchases they might not make if they had a traditional deductible requiring an immediate out of pocket payment. Therefore his objection to this scheme is simply incorrect. We would preserve exactly what we have now. It is not a traditional deductible system.

On the other hand, it is quite clear that I am prepared to continue to support a system which has no co–insurance and no deductibles if ways can be found to finance it.

The Acting Speaker (Mr. Kilger): It being 5.46 p.m., it is my duty to inform the House that pursuant to Standing Order 81, proceedings on the motion have expired.

I have a statement concerning private members' hour for tomorrow, Friday, April 28, 1995. I have received written notice from the hon. member for Winnipeg Transcona that he will be unable to move his motion during private members' hour tomorrow.

[*Translation*]

As it has not been possible to arrange an exchange of positions on the order of precedence, pursuant to Standing Order 94(2)(*a*), I ask the clerk to drop this item to the bottom of the order of precedence.

Pursuant to Standing Order 94, private members' hour will be suspended for tomorrow, and the House will continue with consideration of business before it at that time.

[*English*]

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

PEACEKEEPING ACT

Mr. Chuck Strahl (Fraser Valley East, Ref.) moved that Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof, be read the second time and referred to a committee.

He said: Mr. Speaker, I am very pleased today to have the opportunity to speak to Bill C–295, which I will refer to as the peacekeeping bill. It offers a golden opportunity for all members to rationalize and focus Canada's peacekeeping efforts. I am especially pleased that the House leader for the government affirmed his intention on April 6 to treat all private members' bills as free votes. This means that all members will be able to make up their minds purely on the merits of this legislative suggestion.

This is a breath of fresh air in the House. I sincerely hope members speaking to the bill today and those voting on it later will have taken the time to study it thoroughly. Free votes may mean a little extra work for individual members of Parliament but as an exercise in democracy free votes help to establish the credibility of the House.

Bill C–295 is a good idea, worthy of all party support because it would not cut off or even reduce Canada's peacekeeping role in the world. Rather, it would affirm and institutionalize the role of peacekeeping in Canada's foreign policy and strengthen Canada's place as a leader among the United Nations.

Neither would it reduce the power of the government to make decisions about the deployment of Canadian troops. The bill deals strictly with peacekeeping and allows cabinet full authority to act on a temporary basis. However, it also places the responsibility for our long term commitments squarely where it belongs, in the capable hands of the Canadian people through their members in the House of Commons.

At the moment there is no legislation governing Canada's peacekeeping effort. Legally peacekeeping is still regarded as sort of a side show, an informal duty that Canada undertakes almost as an afterthought. However, in reality peacekeeping has become one of the most visible aspects of the Canadian forces. Certainly Canada's international reputation hinges to a large and increasing degree on its peacekeepers.

However, the only legislation that acknowledges this reality is the National Defence Act which allows cabinet to place Canadian soldiers on active service and pay our soldiers as if they were at war. This is purely an administrative necessity and it does not even address the modern questions about peacekeeping that demand attention.

• (1750)

I quote from the defence policy review tabled last fall:

> Defence policy cannot be made in private and the results simply announced—Canadians will not accept that, nor should they. Nor should the government commit our forces to service abroad without a full parliamentary debate and accounting for that decision. It is our expectation that, except in extraordinary circumstances, such a debate would always take place prior to any such deployment.

I agree wholeheartedly with this recommendation which was made by an all party committee of the House. I assume it should become parliamentary policy and I note the government allotted three hours on March 29 to debate the renewal of Canada's commitment in the former Yugoslavia. The government has thereby acknowledged that Parliament does have a role to play in making these important decisions.

Unfortunately the effectiveness of that role is questionable because the matter was not put to a vote on March 29. Although 20 members of the is House spoke to the issue that day, the input from those MPs was not as effective as it could have been because it was just a take note debate. The motion put before the House was non–votable. We have no idea of the consensus of the Canadian people. The debate was not brought to its logical conclusion. Some people have speculated the decision was finalized before the debate had begun.

Would it not have been better if at the end of that debate, where the pros and cons of the peacekeeping proposal had been discussed in this most public of forums, we had considered this issue important enough to stand up and be counted? Canadians deserve to know our position on this important subject. We are ready to move past the old ways of doing things where this House rubber stamps decisions which have been made in the bureaucracy. Canadians want and need assurance that it is their members of Parliament who actually make the decisions in Ottawa.

Failure to bring a debate to its proper conclusion on such an important topic as this results in a patchwork policy which does not seem to make sense. Bosnia is an example. The UN has 44,300 people on the ground from 38 nations. It is the largest UN mission ever. The operation began over three years ago and has continued at great expense and high risk to Canadians in a situation where neither side seems to appreciate the value of Canadian peacekeepers.

Last July I attended the funeral of Corporal Mark Isfeld, one of the Canadian soldiers killed by a land mine while performing his peacekeeping duties in the former Yugoslavia. His family and friends and all Canadians knew peacekeeping frequently means lives are put at risk. Mark was one of nine people who

have made the ultimate sacrifice in service to their country in that war torn zone.

Our peacekeepers are honoured to represent Canada on missions overseas and I am honoured to be represented by them. However, it needs to be said that the mission in Bosnia has no foreseeable end and it seems to have a diminishing hope of success.

I refer now to a different situation. A few weeks ago a Canadian, former Major General Lewis MacKenzie, investigated Canada's oldest peacekeeping effort. Canada has been in Cyprus for 30 years, since 1965. The original UN mandate was just three months. Three full decades later the UN is finally thinking of withdrawing, only because other nations are starting to mutiny. Canada, of course, soldiers on.

Both of these situations tax the very idea of reasonability. They also tax our resources and denigrate the reputation of the United Nations. At the same time we look at a nation like Rwanda where genocide was attempted last year, or Burundi where unrest is threatening to boil over again into mass slaughter, perhaps another attempt at genocide. However, the UN sits on its hands and Canada's hands are also bound in part because so many of its resources are committed in so many other places in the world.

The obvious disparities between these operations show that Canada's approach to our peacekeeping function is not rational. We lack an orderly process by which we can sit down together and weigh the increasing numbers of peacekeeping requests we are receiving. We need a way of ordering our priorities to make sound decisions about where to become involved, what to do when we get there, how much to spend and, most important, when to call it quits.

Major General MacKenzie made a good suggestion:

> Perhaps what is required is a deadline. What if the UN were to say we will give you a set period of time, say three years. You sort your problem out during that period or we are out of here.

● (1755)

This is a celebrated peacekeeper saying we need a new mechanism for dealing with Canada's peacekeeping decisions. It certainly would have helped in the case of Cyprus. We need guidelines and mechanisms so that all Canadians whether they are taxpayers, men and women of the armed forces or members of Parliament will know what we are committing ourselves to when we go overseas.

The peacekeeping bill provides the mechanism we need. Let me describe the basic elements. It is a very simple bill, worthy of the support of all members of the House.

In summary it says that when Canada is approached by the United Nations to participate in a multinational effort the government should develop a peacekeeping plan and present it to the House by way of a motion.

The elements of that plan are very simple: estimate the cost of the mission, its location, its duration and its role. That is it. The House would debate it for less than five hours. It would pass the resolution and the mission would be in full force.

If the government had to act immediately it could do so by joining the mission without any debate and sending as large a contingent of troops and materiel as it needed to. A peacekeeping mission is carefully defined in this bill as more than 100 soldiers sent under a UN mandate for more than one month.

This means soldiers deployed with a UN mandate would not require legislation approval. The cabinet needs that authority and ability. It means that fewer than 100 Canadian forces personnel acting for more than a year would not constitute a mission. They as well could be sent by the cabinet.

A thousand soldiers on a mission lasting less than a month, something that we had to do quickly, would not require parliamentary approval.

When we get into major commitments for long periods of time Bill C–295 would come into play. Once Parliament has approved a peacekeeping plan that plan would become the mission's mandate. If the mandate expired the mission would automatically be over and the troops withdrawn. If a situation called for the mission to be extended that process is also contained in the bill. The government would simply come back to the House with amendments to the plan and pass a new resolution.

This simple process in many ways mirrors a letter I received last May from the Minister of National Defence which detailed the criteria for Canada's peacekeeping commitments. He said there must be an achievable mandate. The principal antagonists must agree to UN involvement. Are the lines of authority clear? Is the mission adequately funded? What is the risk for peacekeepers and the rules of engagement?

Laws are simply a codification of what is necessary and reasonable. The things the minister mentioned are both reasonable and necessary considerations. Now it is time we codified these requirements into a law that allows Parliament to have significant and effective input.

I can think of important benefits to this idea. The first is participation. Through the political process Canadians would decide Canada's priorities, where Canada should be involved around the world. There would be a special benefit for the government of the day in that it could lay before Parliament a peacekeeping plan from which it could gauge support for a mission before we actually made the commitment in the international arena.

Also, the debate would allow all political parties to endorse a proposal in an official way through a vote. Having endorsed a mission a party would be reluctant later to criticize a plan it had helped finalize.

The second benefit is preparedness and co–ordination. The government as well as our international partners would know beforehand exactly what Canada is prepared to do in each situation and other nations could prepare accordingly. Our national defence people could better prepare for a mission if they knew its parameters in advance.

The third benefit is budgetary. By putting a cost ceiling on all our missions we would know how much the country will allot for peacekeeping and in these days of tightening budgets the ability to fix our costs as much as possible ahead of time is vital.

If governments had to return to the House for more money the political hurdle this would pose in some cases would cause the government to be more careful about the money it spent and committed to in the first place.

Governments need to be held accountable for the money they spend and certainly the current government needs to recognize that the budget for peacekeeping is like other departmental spending plans for which they present estimates to the House. We simply must be able to keep to the budget allocated by Parliament.

• (1800)

Some people will argue political situations change so rapidly that Canada cannot make firm commitments ahead of time. I would answer that firm commitments ahead of time could in themselves positively affect the political and military decisions others will make.

Firm decisions will allow us to direct our circumstances and set our own course rather than have external events lead us around by the nose. As General MacKenzie implied, by giving generous but firm guidelines ahead of time, we may even influence warring factions to resolve their differences in a timely fashion.

In any case, the bill is flexible. It allows for the government to make corrections in midstream, to extend, for example, a peacekeeping mandate. Having said that, all of us elected to this House know our first duty is not to satisfy the wishes of other nations. The government's first duty is to satisfy the Canadian people that our foreign involvements are necessary and fiscally prudent before running around the world putting out other people's fires. For Canada's peacekeeping function to continue to be legitimate in the eyes of Canadians, it must pass the test of continuing public approval.

We also need a bill that touches on other areas of Canada's peacekeeping function. This bill does that. It refers to the command structure of Canadian forces and requires that our troops be placed under the command of other Canadians. As we know, a major complaint about the UN is the notoriously low quality of its commanders. We feel that Canadians, especially Canadian soldiers, will feel more secure with Canadian commanders.

Even here we have constructed this bill to allow some flexibility. Clause 6 states that cabinet may delegate that command structure if it wishes to another body for periods of six months at a time. At least cabinet would have to make a conscious decision to place our troops under someone else's care.

We also talk about the neutrality of our armed forces. Neutrality is a precious commodity in this world. Once we give our reputation away for neutrality it is very difficult to restore. Canada is known and welcomed around the world for its fairness, impartiality and even–handedness. We should not be seen to be installing and deposing governments, even non–democratic governments, at the behest of the UN. It is not our role to take political sides in political disputes.

Our peacekeeping task, our role, our function is to enforce ceasefire agreements and to deliver humanitarian aid, thereby earning the respect over the long term of all sides in the dispute rather than breaking the bounds of neutrality in a short–sighted way and turn half of a population against us. This is a delicate task. It can only be accomplished if our armed forces continue our traditional neutrality in peacekeeping roles.

There has been some question about the use of deadly force in peacekeeping situations, situations in which our peacekeepers have felt ashamed of themselves and deeply frustrated by their inability to protect themselves and others. My bill helps to resolve this problem by allowing our peacekeepers to use deadly force in self–defence, in defence of innocent civilians or to stop serious abuses of human rights where deadly force seems to be the only way to do it.

What is an army for? An army exists to pit force against force. That is its only purpose. Even peacekeepers are an army that moves physically into a dangerous area to provide a physical check on another armed force. But we fight a different battle than either of the antagonists. We are warriors stepping between other warriors in a battle for peace, risking everything in our striving to end war and deliver hope where little exists.

We cannot ask our soldiers to go into these types of situations completely unprotected. Although we must minimize our own use of deadly force, I feel it is justified in the situations I have just outlined where it will clearly forestall an immediate situation that is obviously worse. However, I acknowledge this is a difficult area.

Let me sum up by talking about Canada's identity. Canada is a young country. As such, its personality, if we want to call it that, is still developing. Different nations seem to be known for different things. When we think of Switzerland we naturally

think of neutrality. Germany is an industrial giant and Sweden is perhaps a classic welfare state.

What do people think of when they think of Canada? I would say that other nations long ago recognized Canada's peaceable nature, her natural co–operativeness and her concern for stability in the world. We offered a novel idea, that there is a third option between defeat and victory.

• (1805)

The UN requested our assistance as peacekeepers. Canada did well and the public supported it. We have continued to respond proudly and generously for 40 years. In doing so, we have defined our own nature, shaped our identity and become comfortable with our role in the international community.

We are peacekeepers. It is a role that receives applause around the world. A peacekeeping bill would formalize this positive definition of Canada. It would cement it in the minds and hearts of Canadians. I can think of no more noble role than being a peacekeeper, no higher legislative aim than to entrench this function as a formal element of Canada's identity.

It is said that we reap what we sow. If that is true, and I think it is, what kind of harvest do we reap, what kind of fruit grows when peace is sown? Peaceable people co–operate more. The food of peace is better health, prosperity, long life, happy relations, improved working conditions. To strive for peace is to strive for all that is necessary for humanity to thrive on this planet.

Finally, in addition to those tangible benefits of peace, the fruit of peace is also hope. That precious seed of hope is sown in peace by those who make peace. I trust that all members of the House would see fit to formalize Canada's peacekeeping identity by voting to submit the peacekeeping bill to committee for consideration.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am pleased to speak on Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof.

I have no doubt that the bill was motivated by the concern of all members for the well–being of the Canadian forces personnel and for a wise and sound decision making process on the part of the government.

Unfortunately I have to say that after close study of the bill, in my opinion it might on serious consideration make the process a little worse than the situation that we now have in place. For that reason I oppose it.

Before describing the details of my opposition, I have a general observation to make that applies to much of the thinking that emanates from our hon. colleagues on the Reform benches. It is a tendency that I see reflected in this bill to look for American models in matters of public policy in Canada.

This tendency skews the vision and certainly on our part. I do not believe we can make policy on the basis of the trends and obsessions of our American neighbours, as much as we respect and admire them. We are not them and their examples are foreign to our needs and purposes.

The government has gone to great lengths to ensure a made in Canada defence policy. In fact, members of all parties were members of the special joint committee that put together an outstanding report. I say this not in any sense of gloating but in modesty. Ninety–five per cent of it is reflected in the white paper. It is a Canadian defence policy and one that reflects Canada's needs and aspirations. I for one—I am sure I am joined by many others—would want to keep it that way.

Bill C–295 would restrict the prerogative, the speed and the discretion of the crown to determine Canada's contribution to the United Nations for reasonable peace operations. Like other military operations, peacekeeping is carried out under the authority of the Minister of National Defence under the National Defence Act. It provides that the minister has the management and direction of the Canadian forces and of all matters pertaining to national defence. The bill would remove the responsibility and the discretion not only of the minister but also of the government respecting military operations.

As a result, the bill would adversely affect the speed with which the government can respond to UN requests for assistance in peace operations as well as the timeliness with which it can respond to changes in the peacekeeping mandate.

One of the major problems cited by many former Canadian UN commanders is that it takes too long for the international community to become involved in times of crisis. Most recently Major–General Romeo Dallaires has been an eloquent and passionate advocate of the need for speed in emergencies, claiming that he could have saved tens of thousands of lives had he received the troops he needed when he requested them.

Bill C–295, which would add another layer in the decision making process, would ensure that it would take still longer for Canada to become involved and to provide help. In an emergency we should treat it like one and act urgently. The bill would also create an unworkable structure for the management of international Canadian forces operations. All potential operations are evaluated against a series of guidelines that include the broad political and foreign policy context, the overall mission requirements and, of course, our own military capability.

• (1810)

[*Translation*]

The 1994 defence white paper outlines certain key principles intended to help the government assess the various factors to be considered before deciding whether Canada should participate in a mission. These guidelines are based on the peacekeeping experience we have acquired over the last 40 years. They also illustrate in a careful but pragmatic way the new international world order that has followed the end of the cold war.

The white paper highlights the key principles that must guide the design of all peacekeeping missions. These principles are as follows: first, there must be a clear and enforceable mandate; second, there must be an identifiable and commonly accepted reporting authority; third, the national composition of the force must be appropriate to the mission, and there must be an effective process of consultation among mission partners; fourth, in missions that involve both military and civilian resources, there must be a recognized focus of authority, a clear and efficient division of responsibilities, and agreed operating procedures; finally, with the exception of enforcement actions and operations to defend NATO member states, Canada's participation must be accepted by all parties to the conflict.

[*English*]

Canada's experience also suggests that successful missions are those that respect certain essential operation considerations. Some were touched on by the hon. member. The size, training and equipment of the force should be appropriate to the purpose at hand and remain so over the life of the mission. There should be a defined concept of operations, an effective command and control structure and clear rules of engagement.

To look at another aspect, I believe Bill C–295 would give up Canadian sovereign command of Canadian forces elements and would create in its place an unworkable command and control relationship. In this area, in particular, I have problems with the intent of the bill.

Canadian forces personnel now serving on peace operations are always commanded by a Canadian. Command of Canadian forces personnel is no longer given up to allied or UN command, as it was during the first and second world wars. Canadian units and personnel can only be placed under the operational control, not the operational command, of the UN or other multinational commanders for specific tasks.

The practical difference between the two is that when Canadian forces are deployed under operational control, changes to the task assigned or significant changes to the area of operation cannot be implemented. For example, the UN would have to seek Canadian approval to deploy Canadian forces UNPROFOR personnel to the former Yugoslav republic of Macedonia from Croatia, should the need arise. Such approval would not be required under operational command.

On the other hand, a non–Canadian commander who only has operational control cannot assign separate deployment of components of a unit. For example, the force commander of UNPROFOR who has operational control of Canadian forces personnel cannot unilaterally assign, for example, B company of 2–PPCLI to the British battalion. Such a deployment would require Canadian national approval. If the commander had operational command, there would be no requirement for such Canadian approval.

Currently, commanders of Canadian contingents are directly responsible to the chief of defence staff for the Canadian contribution to the overall mission and tasks of any given operation abroad. The subclause of Bill C–295 which calls for the Canadian commanding officer to be placed under UN or other international command would be contrary to current practice and would mean less, not more national control, something my instincts tell me is far from being the intent of the bill.

• (1815)

[*Translation*]

Bill C–295 would restrict Canada's capability to contribute to the strength of a fast reaction force on standby. As the hon. members probably know, the Minister of Foreign Affairs and myself have launched an initiative to assess the short, medium and long term implications of a United Nations fast reaction force and a possible Canadian contribution to this effort in the future.

Let us come back to Major–General Dallaire's plea for rapid deployment to Rwanda and in response to other international crises. Whether or not Canada participates in a given mission, when the decision is made to participate, timeliness is often crucial. This bill, if passed, would slow the decision–making process down almost every time there is a crisis.

[*English*]

In summation, I regret I do not support Bill C–295. I know the hon. member has put a lot of work into it and I appreciate the comments he has made. However, under the guise of providing greater control by the Parliament of Canada of international peacekeeping operations, I believe it tends to confuse certain key concepts, some of which I have alluded to. It reduces national authority over our peacekeeping troops abroad. It significantly restricts one of the government's prime assets, the flexibility and ability to manoeuvre and shape our resources to suit rapidly changing requirements in dangerous times.

[*Translation*]

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, I rise today to speak to Bill C–295. This bill provides for the control of

Canadian peacekeeping activities by Parliament and amends the National Defence Act in consequence thereof.

Bill C–295 has three main objectives: first, to enhance parliamentary control over the involvement of Canadian forces in international peacekeeping missions; second, to limit it to a neutral or non–combatant role; third, to control the placing of Canadian forces under UN or other non–Canadian command.

I would like to stress at the outset that the members of the official opposition are glad to have the opportunity to discuss such changes to the way the Canadian forces participate in peacekeeping missions. And we would like to thank the hon. member for Fraser Valley East for giving us the opportunity to express our opinion on these matters.

Much of the content of Bill C–295 is in step with the concerns already expressed by the Bloc Quebecois, as much in the debates in this House as in the dissenting report we submitted regarding the Canadian foreign policy review.

I would briefly like to reiterate the Bloc Quebecois' position on the issue being discussed today. Firstly, I would like to stress that the official opposition believes that one of the most important roles of the Canadian forces on the international scene is to support peacekeeping operations and to take an active role in them. This is one of Canada's crowning achievements which has helped earn us our reputation.

Nevertheless, we believe that, in the future, Canada should select more carefully the operations in which it will participate. Recent peacekeeping missions have, as you recall, had their difficulties, of which Canada should take note. Examples are the missions to Rwanda and the former Yugoslavia, or even the situation in Haiti, which reminded us of the need to ensure that our operations serve to further legitimate democratic causes and are meticulously planned.

• (1820)

The conflicts I just cited as examples clearly show how important it is to define, under the auspices of the United Nations, specific objectives and mandates for each mission beforehand. The Bloc Quebecois also recognizes that we need to give the Canadian forces special status, in order to maintain the credibility of our operations.

At the same time, Canada should review its current military alliances and adapt them to strategic missions in accordance with the needs of the United Nations. This approach would inject new life into these organizations and would make them more effective in protecting safety and in resolving conflicts. It would also make it possible for Canada to meet its public security objectives, which are crucial to its own domestic security.

Furthermore the official opposition feels that Canada should encourage the creation of a permanent contingent that would be at the disposal of the UN to carry out its peacekeeping missions abroad. The number of personnel assigned by Canada to these peacekeeping missions should be limited. Unfortunately, Bill C–295 is silent on this point.

Finally, as we have said many times before, for instance in our dissenting opinion, we believe that Canada should put its decisions to participate in peacekeeping missions to a vote in the House of Commons, and do so as soon as possible, if there is enough time. We are of course delighted to see some of our suggestions reflected in the bill before the House today. However, some sections raise a number of problems, and we would like to suggest some improvements.

For instance, in clause 4 of Bill C–295, there seems to be no provision for the eventuality that Canadian forces might be asked to take part in peacekeeping operations at a time when parliamentarians are not sitting in this House. On the other hand, with respect to the order that would place the officer in command of the Canadian forces under the command of the United Nations or an international organization represented by an officer of another state, in subclause 6(3), the bill provides that the order would be laid before the House of Commons on any of the first three days on which the House sits following the day the order is made. Perhaps the same provisions could be included in clause 4?

Furthermore, clause 4 makes no provision for renewing the mandate given to Canadian forces. Perhaps it would be advisable to add a provision to that effect. Still in clause 4, and more specifically in subparagraph 4(1)(v), the Minister of Defence is asked to specify a maximum planned expenditure for the mission.

We realize such provisions are necessary. Canada's financial situation demands that we act responsibly. However, instead of immediately patriating military personnel once the expenditure limit previously approved by the House has been exceeded, this clause should provide for increasing, always by a resolution of the House of Commons, the resources allocated for an operation in exceptional cases, such as emergency humanitarian aid.

We also have some questions about the scope of subclause 5(3). This subclause mentions three circumstances in which Canadian forces would be allowed to use deadly force. We must ensure that Canadian military personnel take part in peacekeeping rather than peacemaking missions. Would it not be more prudent to make the rules specifying the circumstances in which force may be used subject to criteria set by the UN? Otherwise, we might have a situation where the participation of Canadian military personnel in peacekeeping missions would be subject to criteria that are different from those for other national contin-

gents. These questions show how important it is to specify the scope of subclause 5(3).

As for clause 6, I have two comments. First, in clause 6(3), we want all references to the other place deleted. As you know, the Bloc Quebecois considers it a waste of public funds to maintain the other house, which should be abolished as quickly as possible.

• (1825)

As our final amendment, to clause 6(4), we believe that the renewal should be submitted to the House of Commons and not to the Governor in Council. This amendment is in keeping with the spirit of the bill, which attempts to involve Parliamentarians more in decisions pertaining to peacekeeping activities.

In closing, I would once again like to thank my colleague for Fraser Valley East for allowing us to debate this important question. I assure him that the Bloc Quebecois supports the principles underlying Bill C–295. For this reason, we support the bill in second reading.

We would like the questions raised by the opposition to be given serious consideration so improvements may be made to the bill before its passage at third reading.

[*English*]

Mrs. Carolyn Parrish (Mississauga West, Lib.): Mr. Speaker, I am pleased to have the opportunity to participate in the debate on Bill C–295, an act to provide for the control of Canadian peacekeeping activities by Parliament and to amend the National Defence Act in consequence thereof.

I will take a few minutes this afternoon to talk about the context of the bill, namely the nature of Canada's current involvement in peacekeeping activities and the way in which we currently manage our participation in the operations. I should also like to look at a number of specific details in the bill and explain why I cannot support the changes the bill proposes.

Since World War II successive Canadian governments have argued that a safer, more secure international environment is key to Canada's own security and prosperity. As a responsible international participant and as a major trading nation, Canada is concerned with the dangers of a spillover of a localized strife and the threat it poses to the larger international community. At the same Canadians desire a reduction or end to the widespread human suffering in situations where there are strong indications that outside assistance can make a difference.

To this end Canada has worked with other countries to create a stable international environment. One of the instruments we have used in this effort has been peacekeeping, a technique of multilateral conflict management and resolution that has proven exceedingly useful over the years, and at which Canada has excelled.

Canada's contribution to peacekeeping is rooted in the belief that a stable international order sustained by substantial multinational consensus is the best foundation for Canada's long term peace and security. Hence, we willingly make available well trained and suitably equipped military personnel for peacekeeping and related operations.

However, our commitment to peacekeeping cannot be taken for granted. Canada carefully examines all requests for peacekeeping assistance and turns down those it regards as inappropriate. Our record of support is unparalleled, but that does mean our decision to take part in such missions is automatic. Canada has declined opportunities to participate in the third UN Angola verification mission, the UN Aouzou Strip observer group and the UN observer missions in Georgia and in Liberia. In recent years Canada has also significantly reduced or withdrawn contingents from Cyprus, Western Sahara, Somalia and El Salvador.

Traditionally the international community has turned to Canada for peacekeeping resources, not only because our foreign policy has been inclined to support involvement but also because our armed forces are flexible, multipurpose and combat capable. Our personnel are well trained, suitably equipped and have a very impressive track record. The world has come to depend on Canada for peacekeeping.

Canadian participation must always be placed in a larger international context. Our decision to join in a mission is a unilateral one and any changes to the way we operate would also be unilateral. However, the actual mission is always multilateral and complex. With many partners affecting our understanding we become team players when we join. This is an important consideration because UN Security Council resolutions are not always absolutely precise in specifying all the aims, duties or roles of a mission. Decisions evolve as circumstances change.

I should like to turn now to a discussion of some specific provisions of Bill C–295 which in my mind are not workable.

• (1830)

Clause 8 of Bill C–295 requires that once the aims of a particular mission have been achieved the Canadian contribution is to be terminated. The bill is not clear as to how the UN objectives or those expressed in the resolution might be reconciled. Yet the withdrawal of a Canadian contingent based upon an arbitrary expiry date would have two undesirable effects. First, the entire Canadian contribution might prove pointless if withdrawn too early. The second and more serious impact is that withdrawal could be counterproductive to the mission as a whole and thereby in itself threaten peace and security.

I also question those provisions of the bill related to active service. This bill would deem members of the Canadian forces assigned to peacekeeping missions to be on active service for all purposes. The bill proposes that the National Defence Act be amended so that an officer or non–commissioned member assigned to a mission that is subject to the proposed peacekeeping act shall be deemed to be on active service for all purposes.

Quite simply, this proposal is unnecessary. Pursuant to an order in council dated April 6, 1989, all regular force members anywhere in or beyond Canada and all reserve force members beyond Canada are currently on active service. Moreover, all members of the regular force have in fact been on active service continually since 1950.

There is therefore no legal requirement for individual orders in council placing members on active service as a consequence of a particular peacekeeping operation. These orders in council are simply a parliamentary convention. But convention though they may be, the practice certainly reflects the government's desire to consult more frequently with Parliament concerning the general thrust of Canada's peacekeeping policy and practice.

As members well know, there have been two substantial debates on international peacekeeping commitments since this government came into power, the first on September 21, 1994 and the second just recently on March 29.

Bill C–295 does not adequately address the scope of UN peacekeeping operations or chapter 7 action taken by the UN Security Council. This is the third element of the bill with which I have serious concerns.

The definitions and structure imposed by the bill do not accord with international treaties and the UN charter obligations. In trying to encompass the broad range of operations that may be authorized or directed by a UN Security Council resolution, the definition of a peacekeeping service in clause 2 of the bill is very imprecise.

The Secretary General of the United Nations, Dr. Boutros Boutros–Ghali, in his June 1992 report to the Security Council defined four terms: preventive diplomacy, peacemaking, peacekeeping, and peacebuilding, all of which contribute to the maintenance of international peace and security. Each of these UN concepts can, and most often do, entail the use of military force. However, civilian personnel such as elections officials and civilian police are also becoming common in UN peacekeeping operations. The problem with Bill C–295 is that it does not provide a clear delineation of which operations are covered, nor does it offer any specific rationale for applying such regulations only to Canadian forces.

I would also like to question the section dealing with the rules of engagement. Bill C–295 creates overly simplistic legal obligations for rules of engagement and the use of force. Rules of engagement are always issued to armed Canadian forces personnel participating in international operations. They often operate under UN rules of engagement, although these are always drafted in conjunction with the Canadian forces staff at National Defence Headquarters as well as the Canadian contingent commander.

In this way, UN rules of engagement reflect a distinctly Canadian approach in structure, terminology, and interpretation of the mandate within which the rules operate. Occasionally, when the UN is slow to produce an acceptable set of rules of engagement, Canadian forces will operate under Canadian rules while permitting the UN to maintain overall control of an international operation.

Clause 5(3) of the bill restricts the use of force to self–defence. However, this restriction cannot, unless specifically authorized by a UN Security Council resolution, extend to the protection of civilians, even if they are subject to the actual or immediate threat of deadly force or if they are threatened with a serious abuse of human rights. All rules of engagement must be carefully analysed, taking into account the specifics of the mandate. That mandate could require troop–contributing states to use force for reasons other than those specified in the bill.

The issue of neutrality in Bill C–259 is also insupportable. The blanket requirement in subclause 5(1) that Canadian forces be neutral and not engage in combat is itself contradicted later in paragraphs 5(3)(a), (b), and (c) of the bill. The authorization this later subclause gives would violate the neutrality provisions because force could be used to protect one civilian group against the actions of another. There may be cases in which combat is the only means of restoring peace. Once again, this bill, if implemented, would restrict the flexibility of our Canadian forces in what are often very fluid and unpredictable circumstances.

• (1835)

In conclusion, I think that the same argument could be applied to the bill as a whole. The provisions of Bill C–259 foreclose options and restrict the flexibility of the Government of Canada to direct and manage the peacekeeping operations it undertakes.

I urge all members of the House to give careful consideration to how this bill would affect the ability of our Canadian forces to perform the tasks they have been assigned. This bill, however well meaning in its intent, would, in my view, have a detrimental effect on Canada's ability to undertake peace operations.

Out of respect for the admirable work that our Canadian forces are doing on a day to day basis and with their interests in mind, I cannot support this bill.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it gives me great pleasure to stand in the House today and support Bill C–295, put forward by my colleague for Fraser Valley East.

The part of this bill I would like to address is clause 4, dealing with the authority of the House of Commons. As everyone in this House knows, much to the distress of the Liberal government, the Reform Party strongly endorses the notion that the House must be accountable to Canadians, and not just financially accountable. Everything we do in the House must reflect the desires and expectations of the people. Only under the most extreme circumstances should Parliament act without consulting the people who elected us. This is especially true when Canadian lives are at stake.

Last year I had the privilege of being a member of the special joint committee reviewing Canada's defence policy. During this year of intense research and consultation with Canadians, we made a number of recommendations in our report, entitled "Security in a Changing World". This is one of the recommendations, and I quote:

> Defence policy cannot be made in private and results simply announced. Canadians will not accept that, nor should they. Nor should the government commit our forces to service abroad without a full parliamentary debate and accounting for that decision. It is our expectation that, except in extraordinary circumstances, such a debate would always take place prior to any such deployment.

This recommendation was endorsed by all members of the committee, including those sitting opposite today. Though there have been eleventh hour debates on peacekeeping in the former Yugoslavia and the government's white paper on national defence did recognize many of the special joint committee's recommendations, this specific recommendation was overlooked by the minister and the government.

Currently, cabinet has the full authority to designate soldiers to be on active service for war or for peacekeeping activities. If Parliament is not sitting, section 32 of the National Defence Act requires that the House reconvene 10 days after placing soldiers on active service. Strangely, the government is not required to hold a debate on this. The notion of accountability is conspicuously absent. Canadians have no say in committing our troops to life threatening circumstances.

Clause 4 of Bill C–295 provides a method for full parliamentary review in the spirit of the special joint committee report and holds the government accountable for all peacekeeping commitments. Clause 4 states: "No Canadian forces shall serve or be committed to service in peacekeeping service or continue in such service beyond the time or expenditure limit previously approved by the House of Commons, pursuant to this section, unless the Minister of National Defence has moved in the House of Commons a resolution" outlining five criteria that must be debated and passed.

This opportunity for debate is essential. Since the end of the cold war the government has designated more troops to active service than any time since the Korean war. While we are very proud of our international recognition as peacekeepers and in some cases peacemakers to the world, the missions we have engaged in are becoming increasingly dangerous and uncertain in purpose. Canadians should be proud of our peacekeepers, because our troops are indeed the best in the world.

• (1840)

The first criterion in the resolution authorizes the specific mission for peacekeeping service. This is extremely important. The House of Commons must be told exactly what the specific mission is.

When I talk to my constituents about defence issues many ask me what our specific mission is in hot spots such as the former Yugoslavia. They also ask why we are still there when the troops are fired on and held hostage by the combatants. They seem to realize there is no will for peace in that troubled nation and wonder exactly what we are doing to resolve the conflict.

This brings me to my second criterion. Bill C–295 would ensure the resolution specifies the objectives, duties and role of the mission. This is important in the new peacekeeping roles we find ourselves in.

In the former Yugoslavia it is often unclear what objectives we are striving for. The classic peacekeeping role of keeping two warring factions apart from each other while they negotiate a final peace or maintaining a ceasefire to which all parties agree is absent in Bosnia. In a conflict such as this where all warring sides clearly do not want peace and look at our troops as occupiers, it is difficult to ascertain exactly what our objectives are.

If we are to send peacekeepers into dangerous situations such as this it is imperative Parliament pass a resolution specifying the objectives of our troops, what objectives they will be attempting to meet.

Canadian troops cannot be pawns in any conflict. We must have a clear role spelled out. This is particularly important when communications between Canada's peacekeeping forces and the Canadian public are weak.

The third criterion of the resolution defines the state or area in which the mission is to operate. Only Parliament should have the authority to specify where our troops are to be committed.

The fourth criterion in the resolution specifies the date on which the authority expires. It is essential for Parliament to decide the exact date on which the mission ends.

Some of our former commitments have seemed unending in scope. Our service in the former Yugoslavia is on a six–month term but other peacekeeping missions, such as our mission to Cyprus, lasted 30 years.

Giving Parliament the authority to determine the date on which the authority is to expire for a mission also gives Parliament the opportunity to cancel or renew the mission. Parliament will be able to evaluate the mission and decide whether we have accomplished our objectives. It can also re–evaluate the conflict and assess whether it has changed in scope and whether we still have a role to play.

In common with the fourth criterion is the fifth. It specifies a maximum planned expenditure for the mission. Peacekeeping missions, like anything else the government does, must have financial bounds. The nation does not have a bottomless purse. We must determine what we can afford.

Clause 4 of the bill also provides for a five–hour debate on the resolution before the question is put to the House. As with any bill, the resolution can pass with or without amendments and it can also be defeated.

The time for Parliament to become accountable to the Canadian people for designating our troops on active duty is now. We must be the ones to decide and those who represent them in Parliament are their voice.

I strongly urge all members of the House to support Bill C–295.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

ACCESS TO INFORMATION

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, on March 13, I asked the Minister of Justice if he would order a full review of the Access to Information Act as recommended by the information commissioner in his 10th anniversary report. In response, the Minister of Justice said that he was considering such a review and hoped to come forward with reforms in due course.

• (1845)

In 1986–87 I was a member of the justice committee which made an extensive review of this act. It issued a report entitled: "Open and Shut" which made 87 recommendations for amendment. Unfortunately, none of those recommendations were implemented by the former Conservative government.

Recently the information commissioner made similar recommendations in three documents entitled: "The Access to Information Act: 10 Years On"; "The Access to Information Act: A Critical Review"; and "Information Technology and Open Government".

The basic principle of this act is that Canadians should have the right to information about their government and to information compiled and held by the government. Of course, this is information paid for with taxpayers' money.

For years prior to the Access to Information Act the government's general policy was to say no whenever information was requested and only to say yes by exception. The purpose of the Access to Information Act was of course to reverse this process. There would be exceptions, of course, for national security, for privacy and for cabinet confidence, but the general rule was to make information available.

The "Open and Shut" report concluded that the act had major shortcomings and weaknesses which should be corrected. As I said, the committee made 87 recommendations to do that.

Among those recommendations were first, that all government institutions, including much of our parliamentary process, be included under the act.

Second, it was recommended that all crown corporations except the CBC be included under the act. These institutions are not included under the act at the present time.

Third, it was recommended that all persons in Canada, not just citizens and residents, have access to the act.

Fourth, it was recommended to entrench the status of the information co–ordinators who are present in every department to facilitate the operation of the act and to give those co–ordinators senior rank in the departments.

Fifth, there were several recommendations with respect to the exemptions. We said that the exemptions should be subject to a significant injury test. We also recommended narrowing certain exemptions.

With respect to the cabinet confidence exemption we said that it should be covered under the act, but subject to a class tested discretionary exemption. In other words, cabinet confidences would not automatically be outside the scope of the act.

We also said that the information commissioner should have the power to issue certain binding orders in some cases, although generally he would still act by recommendation only. We made recommendations that the social insurance number be restricted in its use by outside agencies.

We recommended that the time for answering information requests be reduced from 30 to 20 days. We also recommended that there be legislation to protect whistle blowers within the Government of Canada.

Those are some of the recommendations which were made in 1986–87 in the "Open and Shut" report. I would like to ask the government again tonight if and when it intends to move on the recommendations made in "Open and Shut" in 1986–87 and also on the recommendations made recently by the information commissioner in his 10–year report.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member for Notre–Dame–de–Grâce has asked about the government's intentions with respect to reforms of the Access to Information Act.

The act is now 12 years old and much has changed since the act was first adopted. At that time access to information was seen as innovative and statutory rights to government information was thought to be a bold step.

Now we are fully in the information age. Canadians are increasingly purchasing computers and equipping them with modems. They are on the eve of the convergence of the television with computers. Those who have a television will also have the mechanism by which to retrieve information from the world at large. The Internet has completely changed our earlier notions of what access to information means.

The Access to Information Act was studied by a parliamentary committee in 1987. The information commissioner issued extensive recommendations to reform the act on the occasion of its 10th anniversary. The information commissioner also released background information studies he had commissioned, including one on information technology and open government.

The federal government recently adopted a blueprint for improving government services using new technology. It has created the Information Highway Advisory Council which is scheduled to report to the Minister of Industry in the spring.

Federal and provincial governments are engaged in a variety of pilot projects designed to provide more government information and services electronically. In the United States the department of justice has issued a draft consultation paper on electronic access to government information.

These initiatives are making more government information available than has previously been the case. This information is being provided outside the Access to Information Act and therefore with less red tape, more quickly and at virtually no cost to citizens.

All commentators on the Access to Information Act agree that what is needed most of all is a change in attitude that results in more government information becoming routinely available without requiring citizens to request it under the expensive and sometimes slow process of the Access to Information Act.

Progress is being made. There is no question that the Access to Information Act needs reforms. The minister has promised that the government will come forward with reforms.

The Liberal Party has made open government a promise in the red book. The minister has indicated that the Department of Justice is at work identifying areas where reforms could be made. We need to take the minister at his word. Reforms are coming. While precise details and dates are not now available, these will unfold in due course.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6:52 p.m.)

HOUSE OF COMMONS

Friday, April 28, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

Hon. John Manley (Minister of Industry, Lib.) moved that Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, be read the third time and passed.

He said: Mr. Speaker, I am happy to speak today at the third reading stage of Bill C–43, an act to amend the Lobbyists Registration Act. As the House knows, the government made this bill an important part of its broader strategy aimed at restoring confidence in its integrity.

Bill C–43 was one of the measures proposed by the Prime Minister last June so we could keep our red book promises. Hon. members will remember that, on the very day this bill was read the first time, the Prime Minister announced in the House the appointment of the first ethics counsellor in Canada, whose mandate is to administer a revised, more comprehensive conflict of interest code.

The Prime Minister also announced that he wanted someone he could consult on conflicts of interest and ethics. The ethics counsellor deals with ethics issues within the government. Bill C–43 proposes that the ethics counsellor be entrusted with more responsibilities. He would be responsible, among other things, for developing a lobbyists' code of conduct and would be given considerable powers to investigate alleged breaches. In other words, this code would provide for outside supervision of lobbyists' activities.

As the Prime Minister stated, by combining these functions, the ethics counsellor would be better able to monitor the situation, because he would have real powers allowing him to conduct in–depth investigations.

[*English*]

Another measure introduced last June dealt with federal contracting policy. This was modified to prohibit the use of contingency fees for lobbying on all government contracts, grants and contributions.

The Prime Minister told the House that a code of conduct for members of Parliament and senators would be created. It is the intention of the government to soon strike a special joint committee to begin this important work. As recently indicated by the House leader, a motion to establish a special joint committee will be presented within the next several days.

These steps are in keeping with the promises the Liberal Party made to Canadians in the general election of 1993. We told Canadians that we would restore trust and confidence in the decision making process. What is more, we promised in the red book that a Liberal government would give members of Parliament a greater role in drafting legislation through House of Commons committees.

That is why I am doubly proud of the legislation before us today. It represents a fulfilment of our promise to Canadians not only with respect to the content of the bill but also to the process by which these amendments to the Lobbyists Registration Act were brought about. I would particularly like to congratulate the hon. member for Fundy—Royal for the leadership he demonstrated as chairman of the industry subcommittee that dealt with the bill.

The bill before us provides Canada with the most far reaching lobbyist registration laws in the world. For example, the U.S. federal law on lobbying disclosure dates from 1946 and covers only senators and members of the House of Representatives. Congress unsuccessfully attempted last year to bring the legislation up to date, to include the executive branch and congressional staff.

• (1010)

No legislative provisions for lobbying disclosure exist in the U.K. or in the European Parliament. There is only a listing of association representatives who lobby the German government.

The legislation was referred to the subcommittee before second reading, before the House voted to approve the bill in principle. Therefore, the hon. member for Fundy—Royal and his colleagues had a very real say in amending the bill. They enjoyed a flexibility that I believe will become a hallmark of many committees studying legislation in the years to come.

[*Translation*]

All in all, committee members made 13 improvements. I want to congratulate them on the great precedent they created by working under the new system. Their work has resulted in a much better bill and a committee report which is a first, just like the parliamentary process it stemmed from.

This report describes the process that led to the amendments being made. It also contains minority reports stating dissenting opinions on certain issues.

[*English*]

I am very pleased to announce that under Standing Order 109 of the House of Commons, the government will be tabling today its comprehensive response to the committee's report "Rebuilding Trust". The government was pleased to be able to accept all of the amendments proposed by the committee as well as its recommendations. I would like to take this opportunity to congratulate the committee and its members on the excellent work they have done.

The committee made important improvements to all parts of the bill: the disclosure requirements, the lobbyists code of conduct, the ethics counsellor's reports, the registration system and enforcement. Let me provide the House with a few examples from each category.

[*Translation*]

With respect to the first broad area, namely information to be disclosed in returns, the committee considered thoroughly and at length the issue of grassroots lobbying campaigns, where a large number of members of the public may be persuaded to send letters or make telephone calls.

Such campaigns are sometimes organized by lobbyists. Under Bill C–43 as amended, lobbyists will be required to indicate if they used or expect to use grassroots communication in an attempt to influence the government.

[*English*]

As I mentioned a few moments ago, under changes made to federal procurement rules last spring, lobbyists are not permitted to charge contingency fees when lobbying for federal government contracts, grants and and contributions. Under Bill C–43 amendments, consultant lobbyists will have to indicate if they are paid on a contingency fee basis for all other types of lobbying. As well, any organization that lobbies the government will have to reveal the sources and amounts of funding from any government.

Two further amendments proposed by the Reform Party were made to the bill at report stage. The hon. member for Elk Island moved that government funding of clients of consultant lobbyists as well as corporations also be disclosed. I am personally very pleased to see these additional improvements to the bill.

The second broad area of amendments made by the committee involves the lobbyists' code of conduct. Bill C–43 mandates the ethics counsellor to develop a code for those who deal with the government. Under the amended bill, the code of conduct will be reviewed by a committee of the House before it becomes effective.

As well, it will now be mandatory for lobbyists to comply with the code. The ethics counsellor will be required, rather than just empowered, to investigate breaches of the code. He will act independently in deciding whether to investigate and his report will be tabled in Parliament.

• (1015)

The ethics counsellor's reports are the third broad area where improvements have been made to the bill. In the report of an investigation into a breach of the code of conduct the ethics counsellor will have the power to disclose information on fees and disbursements associated with any lobbying activity, not just government contracts.

A further amendment requires that the ethics counsellor's report of an investigation include his findings, conclusions and reasons.

[*Translation*]

The ethics counsellor will submit to the House a separate annual report on his or her activities regarding lobbying.

[*English*]

I would like to take a moment to clear up what appears to be some confusion about the ethics counsellor's reports. The ethics counsellor must report on every investigation and must also make an annual report. These reports must be submitted to the registrar general. Then the registrar general must, and I quote from the bill, cause a copy to be laid before each House of Parliament on any of the first 15 sitting days after it is received. There is no discretion in the tabling of the report whatsoever. All of the ethics counsellor's reports will be submitted in their entirety to both Houses of Parliament and those concerning investigations must provide details on the findings, conclusions and reasons.

The fourth broad area involves improvements to the registration process. Bill C–43 recognizes the importance of maintaining an active exchange and dialogue between Canadians and their government. Formal government initiated consultations will be exempted from the activities triggering the need to register as a lobbyist. This exemption responds to many associations' concerns that if they had to register each time they were consulted by government they would spend all their time on paperwork. The committee was aware that the exemption should

not be so wide that it defeats the very purpose of the Lobbyists Registration Act.

I have heard some fairly ridiculous comments from the opposition on this point. What needs to be understood is that we need to strike the appropriate balance. The notion proposed by some members opposite that this meant a phone call returned by a public official was not lobbying is ridiculous and simply is not sustainable by the wording of the bill. The exemption applies to those consultations frequently initiated by government to ensure that in proceeding on legislation it has received the views of stakeholders from all parts of Canadian society, a practice which is not only normal but which should be welcomed by members of Parliament, opposition and government alike.

Its report says the registrar should issue an interpretation bulletin to precisely define these circumstances. As well, the registrar will have the authority to issue interpretation bulletins to clear up any other questions as they arise. Therefore the more extreme examples proposed by the opposition, which might lead to the act not being applied as it was intended, can be taken care of through the simple administrative exercise of issuing interpretation bulletins to cover the cases in point.

The 30–day updating requirement has been changed to six–month filings for associations. This will reduce the paperwork for these organizations, given their lobbying goals do not change much over the course of a year. Furthermore, electronic filing will be available and will improve the efficiency of the registration process both for lobbyists and the registrar.

Finally, changes have been made to improve the enforcement of the act. The registrar will have the authority to conduct random checks of the information in the registry, and the limitation of proceedings under the act has been extended from six months to two years.

[*Translation*]

I am sure that all the hon. members will agree with the Prime Minister and myself that we need to restore public confidence in our institution.

This confidence is essential, if we want our efforts to redirect and redesign the role of government to be successful.

• (1020)

[*English*]

In all of these matters what I think Canadians and parliamentarians need to preoccupy themselves with is the existence of due process and rule of law.

If we are truly concerned about the maintenance of respect for our institutions, parliamentary, judicial or otherwise, what we need to ensure is that the processes pursued respecting them are at once transparent and subject to due process.

It is the easiest thing in the world to stand in the House of Commons, protected against the laws of defamation, and impugn the integrity of other individuals, whether members of Parliament, public officials or otherwise. It is impossible to ever remove the doubt that aspersions cast impose on the integrity of an individual.

I say to members opposite that when they tread on the grounds of issues of ethics they look to the questions of process, to the rule of law, because anyone of us at any time may stand accused wrongly. To stand in the House, as we have seen members do in the last few days, and make accusations without foundation, without fact, based on innuendo and circumstance, is to at once impugn the integrity of the people involved as well as to impugn the integrity of these institutions.

Process, rule of law, these are the things that have made this country one in which we are all pleased to live, safe from abuse. This is a case surely we ought to be able to debate. I refer directly here to the issue of satellite broadcasting and the DTH panel report. We surely ought to be able to debate in the House the substance of an issue.

Over the last few days I have seen members opposite try to make this into a case of ethics. Why? For nothing but sheer political expediency without a single fact, without a single issue being raised of any substance whatsoever; shameless casting of aspersions. That is the old politics and that is the way it is has been practised in the House by the Reform Party and the Bloc Quebecois in the last few days.

I want to refer exactly to this case. It is a demonstration of why process is so important. In the case of DTH satellite broadcasting the government was put in the position that many interested parties were looking for a review of an exemption order issued by the CRTC on August 30 of last year.

Let it be understood the initiation of the review of the policy was a response to clearly articulated interests quite outside those of parties that may or may not benefit. It was made clear to the government by many parties, and events since then have borne that out, that the effect of the August 30 order was the creation of an effective monopoly in this service in Canada.

What was the government to do about that? Within days we announced the policy was subject to review. The order was issued August 30. By September 12 that had been made clear publicly. Major policy is made by government. That is the reason people elect governments, to make policy decisions. It is the responsibility of government to make policy decisions. We would have abrogated our responsibility if we had refused to act, so we did act.

• (1025)

We established a transparent process. We chose three former deputy ministers, non–partisan appointments but truly people whose opinions we would respect; whose capabilities, honesty and integrity had never been questioned. However, members in the House were free to stand and impugn the integrity of persons who were providing a service to the government and to the people of Canada. Without fact and without any information they could stand up and say these people, because they were named to the panel, there is something wrong with them. That should not happen in a democratic society. If it can happen to those three individuals it can happen to me, to you, Mr. Speaker, and to members opposite without facts.

They made a report and nobody on the opposite side of the House has yet offered me a single substantive criticism of the recommendations made. On the contrary, ACTRA, the Canadian conference of the arts, the Canadian Consumers' Association, the *Globe and Mail*, the Ottawa *Citizen*, the Toronto *Star* have all said to adopt the recommendations of the report.

Mr. Epp: How does C–43 fix this?

Mr. Manley: The hon. member for Elk Island cannot wait for his chance so he is talking away over there. I am trying to answer his questions.

We put this direction on the table in the House of Commons on Wednesday. It launches a process. Throughout this every step of the way we have followed the principles of transparency and legislated authority. The authority to issue a direction is clearly established in the Broadcasting Act. It has a process attached to it. That is the rule of law. It is open and transparent.

I invite members opposite to criticize the content of the direction and the expert panel report. Instead, repeatedly they choose to cast aspersions and raise innuendo about integrity.

This bill is about ethics, lobbyists and transparency. It creates principles by which government can function in a real world. I do not understand the notion that governments should exclude all outside influences.

Some of the proposals put before us both in committee and in the House would have the effect of ensuring that no official or minister would ever talk to anyone outside government. It would create a freeze in the kind of dialogue and openness that ought to exist in a free and democratic society.

The bill is about creating the appropriate balance. If we start from the presumption, as I believe some members opposite have done, that all officials, all elected representatives and all ministers are likely to be dishonest then the bill will surely prove inadequate. The government does not start with that assumption.

The government starts with the assumption that virtually all public officials are honest and motivated to do the things in the best interest of the country.

One of the things Canadians sometimes fail to appreciate enough is that many businesses that speak to me about their efforts to trade around the world tell me that throughout the world countries like Canada which have a political and bureaucratic system almost entirely free of corruption are very rare. This is something we have for which we should be eminently grateful. The purpose of this bill is to try to ensure that at the same time as preserving and protecting the fundamental honesty of our government system, we are also recognizing the fact that government needs to be open in a democratic society. People need to be able to consult and to contact their government.

• (1030)

It also operates on the assumption that all lobbying is therefore not bad, that lobbyists are not evil people. Some members opposite think that word just by its very nature has a negative connotation. In listening to some of the debate, I think in some cases they would like to eliminate lobbyists. That is fine and dandy for the large corporations, because they can always find other ways to get their messages across. But for the small firm, say in Saskatoon, that cannot have ready access to government in Ottawa or wherever, it is sometimes necessary to get professional advice and assistance. It is a useful function. As I said, often governments need to consult.

Having an open system requires achieving the right balance. This bill is about balance. It is about achieving the proper equilibrium. If we do not want any lobbyists at all, I am quite prepared to admit that the bill does not go far enough, because it does not outlaw lobbying. But it is intended to ensure that the activities of lobbyists are sufficiently transparent to assure the integrity of our system and yet do not impose upon officials or bureaucrats obligations that are so onerous that they would rather not talk to anybody in the outside world, but just stay in their glass towers here in the city of Ottawa.

Striking a balance is open to debate. Have we erred too far one way or the other? That is a point of legitimate debate. But to suggest at the extreme that we need a process that shuts the system down I think is wrong. I believe we have struck the appropriate balance in this bill.

I think that also pertains to the issues of integrity and honesty. The system must speak for itself. We ought to be trying for transparency and then when issues of integrity or ethics are raised we will have the facts to deal with that.

I implore members of the House of Commons to remember always that today's accuser may tomorrow stand accused. To make accusation without fact, on the basis of circumstance or innuendo, and thereby impugn a person's reputation—which in the final analysis is all that any of us have that is worth

preserving, our reputations—is something members of the House should be reluctant to do.

[*Translation*]

I am convinced that members from all parties represented in this House will welcome the legislation before us, which is about to be read the third time.

Bill C–43 is the result of the work of previous committees and the testimony of all the stakeholders. Bill C–43 will improve government transparency.

[*English*]

It will significantly strengthen the powers of the ethics counsellor. But perhaps most important, we have given the elected representatives of Canadians more say in creating the laws that will restore the people's trust and confidence in government.

I hope all members will join me in voting in favour of Bill C–43.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, when the government announced its intention to amend the Lobbyists Registration Act, we thought that it was sincere. We thought that those who, for almost ten years, took the Conservatives to task about their integrity, their way of doing things and their decision–making processes, would table a bill that would shed some light on what goes on behind the scene in this Parliament.

• (1035)

Yet, on June 16, 1994, when Bill C–43, an Act to amend the Lobbyists Registration Act and to make related amendments to other Acts, was tabled, we were forced to change our thinking. The Liberal government, that is those same Liberal members who, in opposition, denounced the cosy deals being hatched in the inner circles of the Conservative regime, now seemed prepared to condone such practices by tabling legislation which contains nothing but good intentions.

We figure that, once the Liberals gained access to the pork barrel, they forgot what they were saying during their days in opposition. This bill has neither teeth nor substance; it is exactly the opposite of what we expected. The credibility of our democratic institutions is currently being questioned by the public. Never, in the short history of our democracy, have public officials been looked upon with such cynicism by voters. Everyone agrees that a climate of confidence must be restored between the governments and the public.

During the last federal election campaign, the Liberal Party of Canada pledged to reform our institutions and make their operations more transparent. In fact, the Liberals' red book, which we hear so much about, contains the following on page 94: "The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view".

Unfortunately, once it took office, the Liberal Party considerably watered down its commitments. Such an about face makes the population wonder, and rightly so, how committed the Liberal government really is to bringing in legislation to control influence peddling. When we compare the campaign promises and how they translate into legislation, we can only conclude that the lobbyists undoubtedly determined the final version of Bill C–43 and the resulting reversal of the Liberals' position.

I believe that the first thing a government has to do to restore the integrity of our democratic institutions is to stop buying votes with empty promises. It must also make the administration of the state's affairs more transparent, above all so that we can clear up all grey areas and reassure the population that public policy decisions are made in the public interest and not in the interest of powerful lobbies.

Everybody recognizes the need to restore the public's confidence in our institutions. Unfortunately, after only 18 months in power, the Chrétien government's track record on transparency is dismal. For example, on September 26, 1994, the Canadian press reported that documents obtained under the Access to Information Act showed that, in the months preceding the introduction of Bill C–43, there was a marked increase in the number of meetings with lobbyists and that some of them had threatened to take the government to court if the new legislation forced them to disclose their political ties.

As has often been the case, the lack of transparency in the process kept the public in the dark regarding the scope and the nature of the lobbyists' workings on Bill C–43 until the news hit the press. The daily newspaper *La Presse* eloquently summed up the situation in its headline on the issue: "Ottawa's plans to shackle lobbies foiled". Bizarre situation—lobbyists influencing the very legislation that was supposed to reduce their influence. Given this situation, the need for transparency has never been greater.

One cannot treat the public like a doormat, Mr. Speaker. The public remembers quite clearly the promises made by the Liberals in the red book and elsewhere. Duff Conacher, co–ordinator of the organization Démocratie en surveillance, appeared before the committee to refresh the Liberals' memory regarding their statements on this issue. I know that the members opposite do not like being reminded of some of the things they have said, especially when they are being hypocritical on such an important issue, but I will nevertheless subject them to a quote from this person, who has studied the issue in depth and monitored the government. Mr. Conacher said: "We would like to remind you of those promises and the requirement. We hope you will not

only take the opportunity but also keep those promises and fulfil that requirement in your deliberations on Bill C–43."

• (1040)

There is also a legislative history to be acknowledged. The Cooper committee and the Holtmann committee have preceded you. Both proposed measures that go beyond the provisions in Bill C–43. And now the Liberals are going to brag that they went further than anyone else.

Nevertheless, Bill C–43 does make certain improvements to the system for providing a framework for lobbyists. Of course it was not that difficult to improve the present legislation, since it was so permissive, smart lobbyists could easily get around it.

Government members, however, will have to admit that the commitments of the red book have been vastly watered down and that Bill C–43, in its present form, will be unlikely to prevent such troubling events as those surrounding the privatization of Pearson airport or the "Dupuy affair", both the first and the latest version. We will not be able to find out more with Bill C–43 than we can under the current legislation.

What is worse, Mitchell Sharp—Who is this guy? The senior advisor to the Prime Minister on ethical issues—admitted before the committee that, even if the statute arising from Bill C–43 had been in effect at the time of the negotiations for the privatization of Pearson airport's terminals I and 2, the public would have learned nothing more.

So what use will Bill C–43 be? What use is the statute arising from this bill if we cannot even find out about the administrative irregularities and the scandals around all this? The government drafted Bill C–43 because of certain events, including the Pearson affair. It has drafted a bill that will not give us any additional information. What are they doing? Why do they bother?

What the public has a right to know, legislators and members of this House are unable to tell them because of the government's attitude and the attitude of the Minister of Industry.

The public has the right to know, for instance, who influences the government, who in government is being influenced, why, and especially, for how much. The Liberals are denying the people's, the taxpayers' legitimate and democratic right to know.

The official opposition has been diligent. We were on the alert. The opposition was quick to condemn the Liberals' lack of courage in their proposals for providing a framework for lobbyists' activities and for ensuring the greatest possible openness in the administration of government affairs. I imagine the Liberals are upset because we were on the alert and did our job as the official opposition.

To try and change the object of this bill, I personally proposed more than 24 amendments in committee, amendments that were motivated only by a concern for transparency. The Minister of Industry ordered his second string to defeat all the amendments moved by the official opposition. I use the term "second string" because the Liberals who were present on Tuesday, March 14 voted against my amendments without being able to explain why.

We reached the height of absurdity when these same Liberals were unable to explain their own cosmetic amendments. It was department officials who explained the Liberals' amendments. Does that not take the cake. I used to know the House jester, I know the Prime Minister's ministerial puppets, now today I get to meet some of the pawns of the Minister of Industry. Nothing in this situation enhances the role of the members of the government.

On Tuesday, April 25, the opposition, again at the report stage, presented over 30 reworded motions in amendment in an effort once again to improve the bill. We were trying once more to give the government the opportunity to amend the bill in order to achieve the objectives that had been set.

• (1045)

All of the amendments were once again defeated by the Liberal government. We have presented over 60 amendments to this bill. They have all been rejected. Sixty amendments have been systematically rejected by the government. The Liberals have therefore said "no" 60 times to transparency. They have said "no" 60 times to government integrity. They have said "no" 60 times to shedding light on the activities of influence peddlers. I will let you draw your own conclusions.

The attitude of the government is incomprehensible, since the aim of the Bloc Quebecois' amendments was, in the end, simply to enable the government to fulfill its own campaign commitments. The Prime Minister in fact reiterated them last June saying that Bill C–43 would give the federal administration unprecedented transparency. Unfortunately, I have to assume that we have had the wool pulled over our eyes. I am not alone in thinking this. Both the francophone and the anglophone press is making this point.

Gilles Lesage, editorial writer for *Le Devoir* made the following comment a few months ago. I will read it for you: "The Bloc Quebecois is right in believing that Mr. Manley's bill is watering down hugely the commitments made by the Liberals in their famous red book. Now that they are in power, they must do everything possible to keep their promises. As the opposition is

pointing out, the lobbyists' activities must be better regulated to ensure greater transparency in government decision–making and to ensure that the more fortunate do not have undue access to decision–makers through the actions of the influence peddlers''.

In his editorial, Mr. Lesage accurately identified the issue of the bill currently before us. From the time the bill was tabled to when it reached third reading, the government added nothing to give more teeth to the legislation this bill will become.

It simply fussed about, adding cosmetic amendments here and there throughout the bill, without substantially altering the bill in any way.

After it studied the bill, the Bloc Quebecois identified eight major flaws in it and proposed legislative solutions to them. As you know, the government often accuses the official opposition of criticizing without making any constructive suggestions. Yet, as I said earlier, we proposed 60 amendments aimed at improving this bill. These improvements had a very specific goal: to correct the eight flaws in this bill that we had identified very quickly.

I will start by listing these eight flaws, before outlining them in more detail later. The first, very important flaw concerns the ethics counsellor. The other flaws have to do with the types of lobbyists, the requirement to disclose contracts, lobbyists' fees, the contacting of ministers and senior officials, the lobbyists' political ties, coalitions, contingency fees, and tax deductions for lobbyists' fees.

This bill has no avoidance rule or code of conduct for public officials. Finally, this great code of ethics will be practically unenforceable, as I will explain in my last point.

There are eight major shortcomings in Bill C–43, either because it does not go far enough or because it does not even mention the problem.

I could go on for hours about this bill, mostly about the expectations and concerns of taxpayers, because I followed committee proceedings closely, because my mind was not made up before I heard the people's concerns, because my only goal was to answer the questions raised by English Canada and especially by the Quebec people, instead of trying to please the lucky few who can afford to send lobbyists to Parliament Hill by exempting them.

Within the time allocated to me, I will try to explain clearly each of the flaws I identified in this bill. As I said earlier, the first flaw concerns the ethics counsellor. Need I remind the House of the Minister of Canadian Heritage's troubling interference in CRTC business or the Ritter affair involving a senior official at the Department of Health who, while still on the department's payroll, was lobbying his coworkers, trying to sell them on the merits of bovine somatotropin?

• (1050)

Also, when we look at Pearson International Airport, the helicopter acquisition contract, the Augusta affair as well as the recent damning positions taken by the Prime Minister and his cabinet ministers to benefit Power Corporation and, at the same time, the Prime Minister's own son–in–law, when we look at all that and at the government's attitude regarding the heritage minister's quiet trip to Los Angeles to visit Edgar Bronfman, owner of the Seagram Company, one can only wonder and be concerned.

Especially when the Prime Minister does not even consult his ethics counsellor or when he does but systematically refuses to tell us what advice he was given, when he will not tell the elected representatives sitting in this House what his ethics counsellor has recommended.

This deplorable window dressing clearly shows that the ethics counsellor is not independent enough to assume as crucial and fundamental a role as that of transparency watchdog in the federal administration. The Prime Minister probably just wanted to have an extra advisor on his staff. Smoke screens only hide the truth.

This appointment is therefore nothing but a sham to fool the public into believing that the government is actually doing something, taking concrete action to restore integrity in Canadian institutions. In actual fact, the counsellor conducts only secret investigations and accounts only to the Prime Minister. What does that give us, the elected represeantatives? And what does it give the people of Canada? Absolutely nothing.

So, we, in the Bloc Quebecois, believe that ethics, transparency and public confidence in democratic institutions and government management are not matters to be left in the hands of a political party, a government or a Prime Minister, but rather to be decided on by democratic institutions, the House of Commons and the elected representatives of the people.

In that regard, one of the government's star witnesses, Simon Reisman, the president of Ranger Oil Limited, supported the Bloc's views on the subject. Let me quote him because what he told the chair of the committee, who was a Liberal and had to submit a report to the minister, was extremely important. He said: "If we get into the business of a code of ethics to govern the behaviour of the members of this industry, it ought to be kept out of partisan politics as far as you possibly can. I think one good way of doing that is to make the appointment an appointment by Parliament, rather than by the government of the day. You are more likely to get someone more objective. If he is appointed by Parliament, I think he should report to Parliament—which is the recommendation in any event".

And he added: "There is another reason I think he should be reporting to Parliament and should be subject to accountability to Parliament. Members of Parliament, who are elected under a democratic process, have the mandate to legislate and they have the right to review legislation. In our democratic society, they are in the best position to prevent any abuse of power. The ethics counsellor will undoubtedly be a very powerful official". That statement was made by a government star witness, who testified at the committee's request. Yet, nothing in Bill C–43 reflects the recommendations made by that witness.

Do you really think that the ethics counsellor, who will work for the government and look after its interests, will be very powerful? I do not think that this is what taxpayers were hoping for when they heard the Liberals' election promises. An ethics counsellor, sure, but one who has some investigative powers and who is not under the Prime Minister's thumb. This is what the public wanted. What we need is a totally independent ethics counsellor who is accountable to Parliament. This means that he can hold public inquiries and report on his work, on his findings and on the reasons supporting his conclusions to the House of Commons.

• (1055)

I am also very concerned by the fact that Bill C–43 does not delegate any enforcement powers to the ethics counsellor. I fear that the counsellor will end up being like a traffic cop with no authority to give tickets. If you listen to the Liberals these days, you get the impression that they simply want to set up a system which will be administered behind closed doors, so that patronage can still go on without anyone really knowing what is happening. In my mind, that is what is going on right now. Is it not strange that the tabling of Bill C–43 would coincide with such a scandal?

A second flaw, equally significant, shows how the Liberals reversed their position on the tier system for lobbyists. In June 1993, after examining the Lobbyists Registration Act, a committee of the House of Commons recommended eliminating the distinction between first tier and second tier lobbyists. In fact, this was the first recommendation in the Holtmann report. The members who signed this report, including the hon. member for Glengarry—Prescott—Russell, the hon. member for St. Boniface, the hon. member for Kingston and the Islands and the hon. member for Broadview—Greenwood, who were all in the opposition at the time, agreed with the principle of eliminating the tier system. I assume they are not going to deny that. You are not going to deny you signed the Holtmann report. You signed it, and you agreed with its recommendations. Today, those very same members who are now government whip, Parliamentary Secretary to the Minister of National Revenue, Deputy Leader of the Government and lastly, Parliamentary Secretary to the Minister of Industry, are no longer on side.

Some hon. members: Hear, hear.

Mr. Bellehumeur: What they said when they were in the opposition is not what they are saying now, and I find this very disturbing.

In fact, they all voted against the amendment I proposed to eliminate all distinctions between lobbyists. I do not understand the Liberal's retreat from their own position and the promises they made during the election campaign. What was not acceptable two years ago is still unacceptable today. Witnesses made this clear to the members of the committee that examined Bill C–43. A lobbyist is a lobbyist, whether they belong to the first, second or third tier. That is why Bill C–43 should provide for only one tier for all lobbyists in Canada.

I imagine this position was not palatable to the lobbyists and the financial backers of the Liberal Party. That is probably the only explanation we have for the current flexible conscience we note among government members.

Another flaw in this bill is its disclosure provisions. Here again, I proposed amending the bill to oblige lobbyists to disclose their real business, the real facts we could then investigate, so that we could see what is going on in this government.

The scandal surrounding Toronto's Pearson airport has amply demonstrated the lax nature of the current disclosure rules. The privatization contract, it will be remembered, was signed in the middle of the 1993 federal election campaign and an inquiry was instituted to shed light on the transaction. The Nixon report was submitted to government on November 29, 1993 and revealed misconduct on the part of the lobbyists, public servants and political assistants. However, the report raised a number of other questions to which we have not obtained answers: Who were the lobbyists who failed to comply with the most elementary rules of ethics? When did these events occur? In what way were their actions either illegal or improper? Bill C–43 will still not give us the answer to these questions.

I see that my time will be interrupted for question period.

The Acting Speaker (Mr. Kilger): Yes, the hon. member for Berthier—Montcalm may continue after question period and routine proceedings. At the resumption of debate on Bill C–43, he will have 15 minutes to complete his remarks.

[*English*]

It being 11 a.m., pursuant to Standing Order 30(5) the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

HEALTH CARE

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, yesterday the Reform Party argued in the House that medicare should be partly privatized, allowing user fees.

This calls into question the credibility of its leader who, during the last election, said: "I want to make it absolutely clear that the Reform Party is not promoting private health care, deductibles or user fees".

Canadians are aware of the need to make medicare more efficient, but we cannot surrender its five principles. The challenge is to balance fiscal responsibility with the preservation of medicare, implementing more effective alternative treatment approaches while containing costs.

User fees, like a zombie, should not be resurrected. We cannot have one standard of health for the rich and another for the poor. We cannot allow the Reform Party to drive a stake through the heart of medicare. Instead, let us work together to strengthen, not destroy it. Medicare shall remain the crown jewel of our social programs, reflecting the soul of our nation.

* * *

[*Translation*]

CANADIAN ADVISORY COUNCIL ON THE STATUS OF WOMEN

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, a number of voices that speak for democracy and the arts community were raised in protest at the Department of Immigration's decision with respect to the visa application by filmmaker Hafsa Zinaï Koudil.

She had only one purpose in mind in applying. She wanted to denounce through film the muslim fundamentalist attitude to the wearing of the hijab and the oppression of Algerian women.

An important voice was missing in the chorus of protests, that of the Canadian Advisory Council on the Status of Women. The council would surely have publicly criticized the unjust and unjustified decision by the department. This credible and respected voice was unfortunately silenced by an unreasonable decision of the Minister of Finance in his recent budget—another example of the government's insensitivity toward women.

[*English*]

B.C. TRAPPERS' ASSOCIATION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, following their 50th annual general meeting held recently in Prince George, the B.C. Trappers' Association communicated its concerns about the anti–gun legislation to me.

Its members are worried that the registration of all firearms and the prohibition of certain firearms as proposed by the government would impose an unreasonable burden on trappers, hunters, and other law–abiding citizens.

They also believe that the controls on firearms, ammunition, and lawful gun owners proposed in Bill C–68 are an assault on the traditional liberties and freedoms that are at the heart of our history and culture.

Therefore, they have requested that their provincial MLAs and federal MPs place a priority on fighting these elements in Bill C–68 and fight any other variants that might be proposed. I am one B.C. MP who intends to continue to do just that.

* * *

NUCLEAR NON–PROLIFERATION TREATY

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, discussions are now under way to extend the nuclear non–proliferation treaty.

The non–proliferation treaty came into force in 1970 and was given a life of 25 years. The non–nuclear states, like Canada, that signed the treaty made a commitment not to develop nuclear weapons. The nuclear states, like the United States and the Soviet Union, made a commitment under article VI to reduce their nuclear arsenals. That was not done. While the non–nuclear states respected the treaty and did not develop nuclear weapons, the nuclear states did not respect article VI.

In 1970 the nuclear states had 8,000 nuclear weapons. By 1990 they had 50,000. Now the nuclear states and their allies want to extend the treaty indefinitely without any mechanism to ensure compliance with article VI. As a result, several non–nuclear states do not want to extend the treaty on that basis. This important treaty is now in jeopardy.

I urge the government and its allies to reconsider their position and to be more flexible. The world cannot tolerate another nuclear arms race.

* * *

QUINTE BALLET SCHOOL

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I rise today to pay tribute to the faculty and students of the Quinte Ballet School, located in the city of Belleville.

During the past 22 years the Quinte Ballet School has consistently achieved recognition for the quality of its education and the professionalism of its work. The school's philosophy is centred on the principle that any student having the desire to dance can receive the highest possible level of dance training.

In particular, I would like to praise the dedicated work of the school's founding artistic director, Mr. Brian Scott, and his tireless efforts and artistic excellence.

It is only one of four private dance schools in Canada, and it is not supported by government funding.

The students at the school are taught in both classical ballet and contemporary dance and are currently performing professionally as graduates in many professional activities, including the National Ballet of Canada.

Next Friday night, May 5, the students of the Quinte Ballet School will be presenting their fourth annual spring performance at the Centrepoint Theatre here in the city of Ottawa. I encourage colleagues and all lovers of performing arts to attend.

* * *

• (1105)

ROYAL NEWFOUNDLAND REGIMENT'S 200TH ANNIVERSARY

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, I am pleased to tell the House that the Royal Newfoundland Regiment marked its 200th anniversary on April 25. This is the oldest regiment in North America and today is an outstanding unit of the Canadian reserves.

The Newfoundland regiment has a proud record of service in the War of 1812 and World War I and recently in the former Yugoslavia. During World War I, Newfoundland recruited and sent one of the highest numbers of soldiers per capita of all the Commonwealth. Sadly, we suffered extremely high casualties as well. At the battle of Beaumont–Hamel the Royal Newfoundland Regiment lost 91 per cent of their unit. Their commander praised them as better than the best, and this has become their unofficial motto.

The soldiers of the Royal Newfoundland Regiment are a reflection of the people of Newfoundland. They are hardworking and tough but with a sense of humour that carries them through the most difficult times.

Congratulations to the regiment on an extraordinary anniversary.

[*Translation*]

SEAGRAM AND POWER CORPORATION

Mr. André Caron (Jonquière, BQ): Mr. Speaker, the revelation of friendship and favouritism shown by government ministers to Seagram and Power Corporation causes us to fear the worst.

Three weeks ago, the Minister of Canadian Heritage was present when the President of Seagram announced his proposed takeover of MCA. On Monday, for the first time in history, the government overturned a decision by the CRTC in order to give a hand to a subsidiary of Power Corporation, headed by the Prime Minister's son–in–law.

The Liberals' incestuous relations with the business world are increasingly coming to light. The Liberal ministers consider the government their own and use it to benefit their friends. In the past, in Upper Canada, the term "family compact" was used to describe this sort of incestuous relationship between politics and business. Today the Liberal clique is running Canada, with its head offices at Power Corporation.

* * *

[*English*]

SUBSTANCE ABUSE IN PRISONS

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, over the Easter break I visited the Edmonton maximum security prison to get a better understanding of how this institution operates. I was shocked to learn that there is an enormous substance abuse problem among prisoners. When I inquired how this could possibly be the case, I was told that drugs are smuggled in by visitors during visitation periods.

My immediate reaction was that visitation in maximum security prisons should be stopped. The warden agreed that this was his preferred solution. If prisoners want visitation they should earn the right through good behaviour and self–improvement. They could then be transferred to medium security institutions.

What is Corrections Canada's solution to this problem? It is to provide inmates with bleach to clean their needles in response to this substance abuse. That sounds like sheer lunacy to me. Why do they not stop visitation rights and clean up this problem?

* * *

SCHIZOPHRENIA

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, this week the Schizophrenia Society of Canada has launched an awareness campaign of this very tragic disease. I was pleased to accept this iris I am wearing today as a symbol of hope and faith for a brighter future for sufferers of schizophrenia.

One of every twelve hospital beds is occupied by a sufferer of schizophrenia. The costs of the illness are estimated to be upward of $4 billion per year, not to mention the incalculable toll on individual sufferers and their families. Tragically, schizophrenia most often strikes individuals in their late teens and early twenties and has been called youth's greatest disabler.

Yesterday the Prime Minister also received an iris from the Schizophrenia Society and expressed his support for their work. I would suggest that making money available for research and education and supporting the public awareness initiative must be a priority of this government. I hope the Prime Minister will make good on his promise to do so.

* * *

PARKDALE DRUG AWARENESS WEEK

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, the week of April 24 to April 30 marks the sixth annual Parkdale Drug Awareness Week in my riding of Parkdale—High Park. Drug Awareness Week, which is organized by the Parkdale Focus Community Project, attracted over 3,000 participants last year.

The week is packed full of activities aimed at promoting a healthy lifestyle among Parkdale residents, young and old, newcomers and long–time residents. For example, in our local Parkdale schools students will learn that a full, meaningful, and active life is possible without drugs and without alcohol. Events planned for this weekend will feature sports celebrities, theatre performances, piano and steel band recitals, and a pancake breakfast for the whole community on Sunday.

I would like to congratulate both the organizers and participants of Drug Awareness Week 1995. They are making a better life for themselves and for their neighbours in Parkdale.

* * *

• (1110)

WORKPLACE ACCIDENTS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, on this national day of mourning we commemorate those working men and women who have been killed, maimed, or injured on the job.

In Canada, on average, a compensable work injury occurs every 38 seconds. One out of thirteen workers is injured at work, and two workers are killed every day. This is not acceptable. The human loss and the pain are devastating. Workplace injuries rob us of more than 10 times the number of work days lost due to strikes and lockouts in Canada. And workplace accidents are expensive. In 1993 compensation plans paid out a total of $5.2 billion in benefits.

Although the rates of occupational injuries, illnesses, and fatalities have substantially declined in Canada over the past decade, they are still too high. Improving occupational health and safety is a must. It makes financial sense for business, for workers, and for government, and it makes even more sense in human terms.

Please join me in remembering those who have paid such a heavy price in the workplace. Let us work together to reduce the pain and suffering of victims, their families, and friends.

* * *

THE LATE HON. CHARLES R. GRANGER

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I rise today to pay tribute to a fellow Newfoundlander and an outstanding Canadian. The Hon. Charles R. Granger was laid to rest in his home town of Catalina last Monday.

In his busy lifetime, Charlie, as he was affectionately called by his friends, was a journalist, union organizer, political adviser, federal and provincial cabinet minister, deputy minister, businessman, poet and historian. He was a lifetime champion of those in the fishing industry and a fierce worker helping to bring Newfoundland into Confederation.

His accomplishments and remarkable personal attributes were highlighted by his warmth, his sense of humour, vision and perspective. Above all, his love for people and his modest conduct were the mark of the man.

He was appointed as an officer of the Order of Canada in January of this year. Unquestionably, his password in life reflected the Order of Canada's motto: he desired a better country.

I am sure I am joined by all members of the House in conveying our thoughts and our prayers to his wife Betty, to their family and their many, many friends.

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[*Translation*]

MINISTER OF CANADIAN HERITAGE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, the Minister of Canadian Heritage, like lightning, strikes again.

After betraying Canada's interests in the Ginn Publishing case, sending a letter to the CRTC in an attempt to unduly influence a decision regarding a broadcasting licence, delivering Radio–Canada into the hands of the Minister of Finance and sacrificing Canadian content and our satellites in the Power DirecTv deal, he demonstrated his lack of judgment yet again and put himself in an apparent conflict of interest by being in the

entourage of the Bronfman family when it was signing a deal regarding Seagram which requires Investment Canada's approval.

Here is a man who has a taste for controversy. I would even say a thirst. Only one word comes to mind following these events: incompetence.

* * *

[*English*]

CRIMINAL CODE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, on December 14, 1993, a constituent of mine, Carol Goldie, was stabbed six times by her former husband after he had stalked her for five years. He was charged with 10 separate offences, among them attempted murder, criminal harassment, and stalking, under section 264 of the Criminal Code.

After a long process of plea bargaining, in February of this year the assailant pleaded guilty to mere assault and received a sentence of just two years less a day. All other charges were dropped, including, as usual, the weapons charges.

I find it difficult to express in strong enough terms the outrage of this sentence. It makes a mockery of the entire legal process. This precedent setting verdict renders the new stalking law impotent. Women who are harassed and intimidated remain unprotected by our justice system. The laws are in place but they are not enforced because justice is bargained away behind closed doors. No wonder Canadians are losing faith in our toothless system of justice. While the system can only bark, the criminals continue to bite.

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CANADIAN NATIONAL RAILWAYS

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to address the matter of the privatization of Canadian National Railways, which the Minister of Transport has so recently announced and which I personally applaud.

I would like to indicate the fact that Canadian taxpayers, for over half a century, have put billions and billions of dollars into this rail system, and for many people it represents a symbol of Canadian nationalism: a road that links both oceans together in this great country. In view of that, I would like to caution the government and advise that any sale should include the recognition of this great tradition and heritage. For that purpose I suggest that any sale include terms that the company which owns and operates these assets must use the symbol and name identification which reflects Canadian heritage. For greater certainty that said name must include the name "Canadian".

• (1115)

I believe that this is in the best interests of all the people and taxpayers of Canada.

* * *

[*Translation*]

SISTERS OF CHARITY OF OTTAWA

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, 150 years ago, on February 20, 1845, Sister Élisabeth Bruyère, a Grey Nun, arrived in Ottawa. She promptly established the Order of the Sisters of Charity, giving it the mission of caring for the sick, teaching children and coming to the aid of poor immigrants.

Today, the Sisters of Charity of Ottawa are very active in several missions throughout the world, in Haiti, Brazil and Lesotho to name but a few. In addition, they run Saint–Vincent Hospital and the Elisabeth– Bruyère Centre, two institutions with the mission of caring for the sick in the Ottawa region.

On February 18, the opening ceremonies kicking off the 150th anniversary celebrations of the Sisters of Charity of Ottawa were held. There will be several other ceremonies and events throughout the year and in the beginning of 1996 commemorating this century and a half of service.

Congratulations and thanks to the Sisters of Charity.

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OCCUPATIONAL HEALTH AND SAFETY

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, on this day of mourning, I join with all my colleagues in extending my heartfelt sympathy to the many families who have lost loved ones to work accidents.

In 1993, there were 758 work–related deaths in Canada. It is difficult to understand how workers can still risk their lives on the job in this day and age. Yet, thousands of workers still face this reality, especially in the construction, transportation, mining and manufacturing sectors, which still account for over 60 per cent of workplace fatalities.

We cannot be satisfied with the recent decline in the number of industrial accidents in Canada. Occupational safety is one of the most important social objectives of this century and must remain so as long as people continue to die on the job. In this regard, I can only urge the Canadian government to adopt occupational health and safety practices and policies based on those in effect in Quebec.

[*English*]

OCCUPATIONAL HEALTH AND SAFETY

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, every day Canadians across the country enter a dangerous workplace.

Canadians remember and mourn the 26 miners tragically taken in the Westray coal mine explosion. This disaster only serves to underline the brutal reality of certain types of work.

Today is a day of mourning for persons killed or injured in the workplace. Canadians must learn from the mistakes of the past, take action in the present and ensure their health and safety are protected in the future.

Occupational health and safety should be foremost in the minds of management, labour and governments when decisions are made. A safe workplace translates into a productive workforce and a strong and vital economy. From the farm, to the mine, to the factory, to the lumber mill the Reform Party pays respect to all who put their lives on the line to make ends meet.

* * *

[*Translation*]

OCCUPATIONAL HEALTH AND SAFETY

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, it is an honour to rise in this House to pay tribute to those workers who have been killed or injured in the performance of their duties.

In February 1991, a private member's bill tabled by my former colleague, Rod Murphy, was passed, designating April 28 as an official day of mourning for those killed or injured at work. There are four workplace fatalities every working day in Canada, while a serious injury occurs every seven seconds of every working day.

Every year, workers develop occupational diseases which, very often, are neither declared nor covered by any compensation plan. Governments here and abroad continue to ignore health and safety standards and their enforcement. We continue to work with our counterparts at the national and international levels to set global health and safety standards.

We have the right to defend workers around the world, especially within the context of free trade agreements. Thank you for giving me your attention and allowing me to speak on this solemn occasion.

• (1120)

[*English*]

OCCUPATIONAL HEALTH AND SAFETY

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, as others have noted, today is a national day of mourning for the workers of Canada who have been maimed, injured or killed while on the job.

In recognition of these tragedies and in solidarity with these workers, their families, their friends, I ask you and hon. colleagues to join me in a moment of silence in the House at this time.

[Editor's Note: The House stood in silence.]

ORAL QUESTION PERIOD

[*Translation*]

SEAGRAM

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, two weeks ago, the Minister of Canadian Heritage quietly took a trip to Los Angeles, where he met with Edgar Bronfman, the owner of Seagram, at the very moment that the acquisition of communications giant MCA by Seagram was announced. The possibility of such a transaction, involving several Canadian interests in the book, film, record and distribution industries, had been in the news for a few weeks.

In this context, how can the acting Prime Minister explain that the Minister of Canadian Heritage placed himself in a conflict of interest situation by happening to be in Mr. Bronfman's suite just as Mr. Bronfman announced this transaction, given that the deal will have to be approved by Investment Canada?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member reveals a lack of understanding of what the Investment Canada review process consists.

First, Investment Canada is located in the Department of Industry. Second, the threshold issue will be determined by an official, the acting president of Investment Canada, on whether or not Seagram is a Canadian controlled corporation. If it is, there is no Investment Canada review required.

This indicates his hypothesis is incorrect. The review is based on an application initiated by the purchaser, which in this case is Seagram, rather than by the acquired company.

There is no real or apparent conflict in the visit that the Minister of Canadian Heritage paid to producers in Los Angeles.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, it is a well known fact on the hill that no one understands anything, except the Minister of Industry, who understands everything. In fact, everyone in Canada and Quebec understands that there was a minister of this government in Mr. Bronfman's suite, when the most important deal in media history was struck. Everyone can understand that. The only one who does not understand is the Minister of Industry.

I would like to ask the acting Prime Minister how he can deny that the Minister of Canadian Heritage put himself in a conflict of interest situation since, by a pure coincidence once again, input from the Department of Canadian Heritage is required to help Investment Canada analyze the transaction between Seagram and MCA and its implications.

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I understand the Minister of Canadian Heritage will be present later in question period if there are questions regarding the details of his visit to Los Angeles.

• (1125)

There is neither an apparent nor a real conflict of interest in the Minister of Canadian Heritage meeting with a group of film makers and producers, all of whom carry on business in Canada, and representing the interests and views of Canadians in that milieu.

No review is under way at the present time. No application for review is under way at the present time. In fact, the threshold determination of whether or not Seagram is a Canadian company has yet to be made.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, what are we to believe: that when the heritage minister visited Los Angeles two weeks ago, he did so as a Canadian government emissary announcing to Liberal friends that the approval of Seagram's deal by Investment Canada would not be a problem, or did he travel to Los Angeles just to discuss the smog problem?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, in the event of a review of the transaction by Investment Canada, it would be the objective of the government to improve on the existing undertakings with respect to the corporation MCA.

It is clear that in the interests of Canadians, any review of that transaction, if it were favourably disposed of, would result in benefits to Canada pursuant to the Investment Canada Act.

The government has an obligation to have the best possible understanding of the business and of the undertakings of the acquirer as well as the acquiree corporation in Canada. That does not create a conflict of interest.

If there is a conflict of interest, I do not know where it is.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I do not suppose it was a cultural exchange between Mickey Mouse and a representative of the federal government, when the Minister of Canadian Heritage, unbeknownst to the taxpayers, went to Los Angeles two weeks ago. That just does not make sense.

My question is directed to the Acting Prime Minister. Considering the conflict of interest guidelines that apply to members of this government and considering that the case of Power DirecTV has shown there is a very close relationship between this government and influential Liberals in the business community, including Mr. Paul Desmarais, father of the Prime Minister's son–in–law and member of the board of directors of Seagram, does the acting Prime Minister realize that the conduct of the Minister of Canadian Heritage raises questions about the integrity of the Liberal government?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as we have seen in the House over the last few days, members like the one opposite are prepared to make allegations founded not on fact but simply on innuendo.

In the preamble to his question he tries to link the decision to table a direction with respect to direct to home satellites to some kind of apparent conflict. As recently as this morning's Montreal *Gazette*, we have yet another editorial opinion saying: "The government in overruling the CRTC has made its future decisions easier. The guiding principle for the CRTC is that all its decisions reflect the best interests of consumers and that includes competition in choice".

I can understand that perhaps the member opposite is not in favour of competition in choice and is not interested in the affairs of consumers. That is for him to say. But to suggest that acting in the interest of consumers is somehow motivated by a conflict is an entirely unfounded, improper and irrelevant allegation.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, how surprising that The *Gazette* should support the Liberals. Very surprising indeed.

After seeing the way his minister proceeded in the Ginn Publishing affair, the disturbing letters he wrote to CRTC, his betrayal of his commitments to the CBC and his abdication of his mandate in the case of Power DirecTv, would the acting Prime Minister, leader in this House and defender of his government's integrity, agree that the Minister of Canadian

Heritage is no longer capable of performing his duties and that consequently, he will have to ask for his resignation?

• (1130)

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, actually this is a worthwhile question. It reveals the real motivation of the Bloc Quebecois in this, which is to malign personally the integrity of a minister of the government without fact, without any basis in policy or otherwise.

The government stands prepared to debate its policy with respect to DTH satellite broadcasting, to review the issue of the acquisition of MCA, in fact its review under the Investment Canada Act and to respond to questions concerning the objections or otherwise of these decisions.

For the hon. member to stand up and make the ridiculous and absurd allegations that he is making today, totally unfounded, demonstrates the political motivation. That is all there is behind this.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question is for the Prime Minister.

Canadians have no tolerance for governments that conduct public business behind closed doors.

First we had a backroom deal and an unprecedented use of cabinet powers to benefit Power Corp. and the Desmarais family. Now we have the makings of a backroom deal to benefit Seagram and the Bronfman family. It is this type of thing that undermines Canadians' confidence in their elected officials.

Will the Prime Minister admit that his Minister of Canadian Heritage has committed yet another grave error in judgment by meeting with Edgar Bronfman prior to Seagram's takeover of MCA?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I believe what undermines Canadian confidence are unfounded allegations.

I remind the hon. member that those in this House who stand to accuse others may one day have to stand to defend themselves. I suggest that she should be a little more sensitive.

I will give her a suggestion of what the popular media is saying on this. I offer her at this time today's *Financial Post* which states: "Rather than being politically motivated the cabinet decision is clearly based on the desire for competition and not the creation of a monopoly in DTH satellite service".

If the Reform Party is interested in competition, then the hon. member would be saying something about the content of the report, rather than making the silly allegations that she has made this morning. In fact what I observed on "Canada AM" yesterday was that the spokesman for the Reform Party said he could not comment on this because he had interests with Expressvu.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, yesterday and again today the industry minister denies that the heritage minister knew anything about Seagram's acquisition of MCA at the time of his meeting with the Bronfmans.

In fact the Minister of Canadian Heritage was informed of the takeover by Allan Karp, the CEO of Cineplex–Odeon, more than two weeks before the backroom meeting. That makes the minister's actions even more reprehensible.

Why was the industry minister not briefed on the heritage minister's meetings with Seagram?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am not in the habit of seeking briefings on the heritage minister's meetings.

Let me advise the hon. member that this infamous luncheon she is making a great deal of seemed to have quite a few people at it who are associated with a variety of companies in the Los Angeles area. Yes, Mr. Karp was present, as were officials from Canada. Also present were Mr. Jack Valenti of the Motion Picture Association of America; Lew Wasserman, chairman of the board of Music Corporation of America, Universal; Sid Scheinberg of Music Corporation of America, Universal; Bill Baker of Motion Picture Association of America, and on it goes. There were quite a lot of people at this secret meeting to somehow influence the decision of Investment Canada.

These allegations are really not worthy of the hon. member.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the Minister of Industry has accused the opposition of focusing on personality because we cannot criticize the process.

Let us look at the process. We have seen an unprecedented use of cabinet power. We have seen secret meetings and unlimited access being given to a favoured few.

• (1135)

Whether we look at Pearson, direct to home satellite or the Seagram takeover, the major players are all the same: Desmarais, John Rae, Bronfman, Rabinovitch and Goldenberg. The family compact indeed is alive and well.

How can this government reassure Canadians that Investment Canada's decision will be free from political influence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let us set a few facts straight from the beginning. Yes, the use of the direction by the government is unprecedented. It is a relatively recent power contained in the Broadcasting Act, as the hon. member knows.

There is nothing wrong with the government having power to make policy. That is what we are elected to do, to establish policy. That is what our responsibility is, to establish policy, yes, for Canadians. That direction does not give anyone a licence. What it does is create a level playing field for competition where companies can apply to get a licence on fair terms.

The government does not direct who gets a licence. The government does not tell the CRTC what to do. The government sets the policy direction. That is what our responsibility is.

If the Reform Party is against competition, if Reform Party members do not care about the interests of consumers, let them stand up and say so. If they are interested in competition, let us hear one, just one, solitary, useful suggestion as to how we get competition.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, before he lost his temper, the Minister of Industry advised us to put our questions to the Minister of Canadian Heritage when he arrived in the House. That is now the case.

Therefore, considering the conflict of interest guidelines governing members of this government, the fact that the Power DirecTV case has indicated the existence of a very close relationship between this government and influential Liberals in the business community, including Paul Desmarais, father of the Prime Minister's son–in–law and a member of the board of directors of Seagram's, does the Minister of Canadian Heritage realize that his conduct has cast doubts on the integrity of the Liberal government?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I think we have explained many times why the government decided to table its proposed directives to the CRTC. We are talking about competition, Canadian content, transparency and the structure of the information highway. These are fundamental aspects of policy, and all interests in the information highway applauded this decision. They felt we were being open, frank and transparent, and by putting this before the House, we are giving all members of this august assembly an opportunity to express their views during a forty–day period, when there will be a discussion on DTH satellite services.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, my question is again directed to the Minister of Canadian Heritage. I hope the Solicitor General, who wanted to answer on his behalf, will let the minister answer the question.

There is a lot to ask, but this question concerns the trip to Los Angeles and a visit to Mr. Bronfman's suite when the transaction took place. And we want to hear what the Minister of Canadian Heritage has to say about that.

After his performance in the Ginn Publishing case, after the disturbing letters he wrote to the CRTC, after making certain statements that came back to haunt him, after his betrayal of commitments he made to the CBC and his abdication of his mandate in his handling of the Power DirecTV case, does the minister still have the courage to do the honourable thing and resign?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member's performance is reminiscent of the best horror movies.

• (1140)

What the Minister of Canadian Heritage was doing in Los Angeles was defending and promoting the interests of the film industry in Canada. I have always said that content was important on the information highway, and I am responsible for promoting that content.

In the past few months I conducted extensive consultations with the industries concerned in Canada, and our conclusion was that it was advisable to meet the main competitors and also to look into opportunities for co–operation. That is what I did when I went to Los Angeles.

I may add that I never was in the suite next door to a certain gentleman referred to by the hon. member.

[*English*]

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, my question is for the Minister of Industry.

Yesterday the minister stated that the heritage minister has no role to play regarding the Seagram acquisition and that Industry Canada is dealing with the issue on its own. Despite this, Investment Canada officials confirm that they have already had discussions with heritage officials regarding the Seagram file.

If Investment Canada is to work on its own and if heritage has no role to play, why are this minister's officials consulting with heritage officials? Why is it the minister does not seem to know about it?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, if I gave that impression in my answer yesterday, then I was wrong.

To be exact about it, on the issue of whether Seagram is a Canadian corporation, heritage has no role to play. That is a determination made by the acting president of Investment Canada. If the transaction is reviewable by Investment Canada, then it does become an acquisition in the cultural sector. With respect to that decision, which is a decision I would make, I would consult in the normal manner with the Minister of Canadian Heritage and officials would consult with each other.

What I was endeavouring to explain was that at this stage we do not have an application under review because we are still at the stage of satisfying ourselves as to whether or not Seagram is a Canadian corporation.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, perhaps we should mark this day on the calendar. It is the first day I am aware of that a minister across the way has admitted to being wrong.

Given the talks with heritage officials and given the heritage minister's meeting with the Bronfmans, how can the minister deny that he has allowed Investment Canada's decision to be tainted by the appearance of undue influence?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I do not see it as a tainting of the transaction whatsoever.

As I indicated in my earlier answer, as did the Minister of Canadian Heritage, a visit to a group of industry people in Los Angeles is in the normal course. I must say that as industry minister it is common for me to meet with representatives of companies and industrial groups on a daily basis. It is part of our normal activities. It is one of the ways in which we do our jobs. That is normal. The fact that a transaction may come forward is still hypothetical.

I can assure the hon. member, as I did earlier, that our objective as a government, in the event the transaction is reviewable, will be to secure improved undertakings on the part of MCA to make the transaction of greater benefit to Canada.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Two weeks ago, the heritage minister put himself in a conflict of interest by making a secret trip to Los Angeles, to meet Liberal friends conducting a megatransaction which involves Canadian cultural interests and which will require Investment Canada's approval.

Will the Minister of Canadian Heritage tell the House if he used a government aircraft and will he also tell us who accompanied him on that trip out west?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I thank the hon. member for this opportunity to provide him with answers on issues which seem to concern him a great deal. I certainly did not use a government aircraft. In fact, I always avoid doing so, for financial reasons.

• (1145)

When in Los Angeles, I had no contacts with Canadian private interests trying to conclude a transaction to take over MGM. True, I did go to Universal studios with officials from MGM, Disney, Sony and Motion Picture Association of America, including its president, Jack Valenti. The purpose of my visit was strictly to explore possibilities with the heads of these American majors. Neither the agenda of this meeting, nor the discussions which I had with these American studios had anything to do with a transaction which I did not know about.

Mr. René Laurin (Joliette, BQ): Mr. Speaker, given the answer just provided by the Minister of Canadian Heritage, I will direct my supplementary to the Minister of National Defence.

How does the Minister of National Defence explain the fact that, this morning, his department refused to release information concerning the use of Challenger jets by cabinet members during that period, this at the specific request of the Prime Minister's office? What is the Minister of National Defence also trying to hide?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member obviously does not know the procedure for reporting the use of government jets. Every month the use of jets is made public.

We have lots of calls on lots of issues. That information will be public within 30 days. There have been no complaints about the procedure.

I find it rather odd the member would raise it in this context. My officials were absolutely correct in saying to the member that they could not give the information to him today, because there is an established procedure and it is working.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the process in the Seagram deal stinks to high heaven.

The ADM for heritage responsible for the file is linked to the Bronfmans through family ties. Investment Canada has confirmed that Rabinovitch's people have contacted it on the issue. This is a blatant conflict of interest.

Why does the Minister of Canadian Heritage fail to see that his department's continued contacts with industry officials and with the Bronfmans jeopardize the integrity of the process and of the Liberal government?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I should like to make clear in the House that I never met Mr. Bronfman on the occasion of the visit I paid to Los Angeles.

I learned of the transaction as I was walking from the aircraft. My meeting was an hour or two afterward. It is not unusual, bearing in mind that these transactions are highly secretive because of market conditions.

As to the responsibility for Investment Canada and a declaration on whether a certain company is Canadian or American, this is entirely within the responsibility of the Minister of Industry.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, that is an amazing coincidence and probably one without precedent in the country.

The minister has denied that there has been any wrongdoing on the Seagram file. Yet his officials have been in contact with industry officials and are still in contact with and linked to the Bronfmans. Surely the minister has been briefed on the contacts.

Is the minister suggesting that it is appropriate for his officials to continue contacting industry officials who are in constant contact with principals of the Seagram deal?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is difficult to understand an allegation of wrongdoing "on the Seagram file" when so far nothing has been done on the Seagram file.

I state again very clearly that the threshold issue is whether or not Seagram is a Canadian controlled corporation. That is a matter entirely within the determination of the acting president of Investment Canada, based on criteria set out in the act. That determination will be made based upon information we obtain from Seagram or its counsel. The next stage would be a review under the Investment Canada Act of whether the transaction is of net benefit to Canada.

• (1150)

I suspect the hon. member wants to say that he does not think Heritage Canada, Investment Canada and Industry Canada will act in the best interest of Canada in reviewing the transaction. That is an extreme allegation. I invite him to make such allegations in a public forum where he is subject to all disciplines of civil law. I would ask him, if he is going to say things like that, to provide real evidence rather than just innuendo.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I am feeling sick to my stomach, but I will nevertheless put my question to the Minister of Industry.

In the endless series of intimate relations this government has with the extended Liberal family, the matter of Power DirecTv continues to raise a number of questions about the actual involvement of the Prime Minister and his entourage.

Could the Minister of Industry, the self–styled champion of transparency, tell us clearly when the Prime Minister informed him that he did not want to be involved in any way with Power DirecTv in which his son–in–law has interests? When did the Prime Minister tell him, about that, exactly?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first let me thank the hon. member for his question.

It bears repetition that the Prime Minister has restated in the House, as he did among ministers, that he did not wish to be involved in the file or have any knowledge directed to him about it. That being the basis upon which the entire transaction has occurred, I have never had a discussion with the Prime Minister about the file.

I want the hon. member to understand that these are the kinds of indications we are receiving from disinterested people who are concerned about the issue. The Consumers' Association of Canada: "I am writing to you on behalf of the Consumers' Association to urge the government to act upon the recommendations of the policy review panel"; ACTRA: "We are pleased with the recognition of the need for competition among services. We hope the government will move quickly"; the Friends of Canadian Broadcasting; the Canadian Conference of the Arts; and all the others.

The simple point is that the Prime Minister has acted with entire integrity, discretion and care in the matter to avoid any appearance of potential conflict. For the government to have failed to take its responsibility—

The Acting Speaker (Mr. Kilger): Order. I must ask that both the responses and the questions be somewhat briefer.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, the Minister of Industry would surely be held in higher esteem if he answered the question.

And so I ask him: Given that the government decided on September 12, 1994 to overturn the decision of the CRTC, which did not serve the interests of the Prime Minister's son–in–law, —and I want it to be very clear—would the Minister of Industry show us today, from his seat, the memorandum he received from the Prime Minister asking to be completely kept out of the government's decisions in this matter?

Can the sponsor of the Lobbyists Registration Act table the memorandum that will enable us to understand and shed some light on this matter?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I never had any discussions with the Prime Minister about the file. There was nothing to visit.

Let me complete the statement I was making. In the face of the urging such as I was indicating to the hon. member, the government would have failed many groups in society, many consumers, all the interests crying out for competition and choice in the area, if it had failed to act.

I am waiting for the opposition parties to give us a clear indication of how they would have responded to these pleadings if they did not think we should move the way we did.

* * *

GASOLINE PRICES

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I have a question for the Minister of Industry.

On Wednesday major oil companies raised the price of gas again, this time by 5 cents per litre in the national capital region. This makes for a 20 per cent increase in just one month.

• (1155)

[*Translation*]

These unacceptable increases in the price of gasoline in the Ottawa region worry and shock local MPs and consumers.

[*English*]

What does the minister intend to do to stop the constant abuse of price hikes by major oil companies in the national capital region?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is my day again.

I am pleased the hon. member raised the issue with respect to the national capital region. However, whether it is in the national capital region, remote communities of northern Ontario or the farmers of Saskatchewan, everywhere across the country, même au Québec, même dans l'Ouest, consumers are concerned that gasoline prices seem to go up without explanation.

The best solution in this sector as well as in others that we have talked about is competition, real competition. As we complete our review of some of the useful proposals we received on whistleblowing legislation and other measures, I hope we will find tools to ensure oil companies and distributors of gasoline products are respectful of the need for real competition in the sector and the need of consumers to have cheaper gasoline.

* * *

SEAGRAM

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the simple point is that this is not an issue about competition. This is an issue about ethics, about Liberal friends helping Liberal friends and family. It is the family compact.

My question is for the Minister of Canadian Heritage. Did he meet with the principals of the Seagram deal and Investment Canada officials prior to the announcement of the acquisition? Yes or no.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I had absolutely no contact or anything to do with whatever the Seagram corporation wants to do in the United States.

This is of no concern to me. They have proceeded with the appropriate secrecy and the risk taking involved. I only heard the rumour that there might be an acquisition a day or so before the acquisition was announced. It was from the press that I learned of such an acquisition.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I asked the hon. minister for an answer of yes or no. I did not get that answer.

I will ask the question again. Did the heritage minister meet with the principals of the Seagram deal and Investment Canada prior to the acquisition? Yes or no.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, no.

* * *

[*Translation*]

TELECOMMUNICATIONS

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the Prime Minister maintains that he did not put himself in a conflict of interest regarding Power DirecTv and continues to purport that he stayed at arm's length of the deal.

Now, the Minister of Industry said, in reply to my colleague's question, that he did not discuss the issue with the Prime Minister. That is what he claims. But we now know, and the Minister of Industry himself even admits it, that Eddie Goldenberg, the Prime Minister's senior policy advisor, was kept abreast of developments on the matter.

Will the Minister of Industry confirm that the departments of Canadian Heritage and Industry sent copies of all of the correspondence they exchanged regarding the Power DirecTv deal to the Prime Minister's senior policy advisor, Eddie Goldenberg?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Really, Mr. Speaker, so what? Management of an important file would be expected. In the context of conversation it would be normal, among other things, that what the government is doing with respect to a file would be told to the Prime Minister's office.

• (1200)

What I think is important here and the question the member should be asking is whether on behalf of the Prime Minister the principal secretary endeavoured to influence the decisions ministers were taking.

Mr. Goldenberg communicated two things, that the Prime Minister did not want to be involved in any way in the file, and neither did he.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the way the minister acknowledges the direct link between the Prime Minister and his information sources is just incredible.

Given the admission that the Prime Minister's senior policy advisor, Eddie Goldenberg, was kept up–to–date on the matter affecting the Prime Minister's son–in–law, will the Minister of Industry admit that he and the Minister of Canadian Heritage were players in the Prime Minister's charade, in which he used his senior policy advisor to achieve indirectly what the law prohibits him from doing directly?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I had a little trouble hearing the member's question.

If I recall, the hon. member is a former or perhaps a continuing actor. I would like to read to him what the president of ACTRA wrote to us on this: "We are particularly pleased with the recognition of the need for competition among services and for an equitable contribution from revenues to be directed toward production and administered at arm's length from carriers. We hope the Government of Canada will move quickly to enunciate policy which will lead to the implementation of these principles".

In this case we have initiated a process which is open and transparent and subject to discussion in Parliament. Process is the rule of law and it is the way to ensure avoidance of conflict of interest, which is what we are doing.

* * *

SEAGRAM

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the assistant deputy minister for cultural affairs in the Department of Canadian Heritage is Victor Rabinovitch.

Mr. Rabinovitch is directly responsible for the Seagram's file. His brother Robert, who wrote the DTH satellite directive, works for the Bronfmans.

Why is the Minister of Canadian Heritage allowing this sensitive issue to be handled by someone who is in a direct conflict of interest?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am not aware of a Seagram's file in my department. The issues are related to Investment Canada, not to Heritage Canada. Therefore, there is no reason our colleague should be so concerned.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Minister of Industry keeps saying nothing is being done on the Seagram's file. We hear the heritage minister denying there is even a Seagram's file.

If that is the case, why is Investment Canada seeking a legal opinion of the Seagram's acquisition?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the Investment Canada Act creates a regime under which certain transactions are reviewable. The first requirement is that the acquiring corporation be non–Canadian.

Therefore, we do not know until we determine in this particular case whether Seagram is Canadian or non–Canadian and whether there is a reviewable transaction under the Investment Canada Act.

What I said was not that nothing was being done on this file but that nothing has been done because her colleague accused the government of wrongdoing on this file. Nothing has been done. The issue is open and under consideration by the acting president of Investment Canada. We will be obtaining information from the file in Investment Canada that will deal with it because the transaction is located in Investment Canada.

However, until all of the facts have been obtained we cannot say there is a reviewable transaction. Therefore, the issues of net benefit to Canada are not yet under discussion.

* * *

GOODS AND SERVICES TAX

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Minister of National Revenue.

Recently I brought to the minister's attention the fact that there may be loopholes in the regulations governing the goods and services tax as it applies to the sale of new and used automobiles.

Can the minister inform the House if he is investigating this matter to assure consumers that GST paid to automobile dealers is passed on to national revenue?

• (1205)

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I thank the hon. member for her question and for the continued interest she shows in tax fairness.

There are specific provisions in the GST legislation which do provide for a notional input tax credit. This credit in turn allows registered car dealers to compete at the same level as private sellers who are not GST registrants.

The department monitors and investigates any indication or reports of any abuse of the notional input tax credit and I can assure the hon. member that we have, as a result of her

representations, stepped up our own activities to ensure the notional input tax credit provisions do not result in any tax advantage for any particular individual or group of car dealers.

* * *

[*Translation*]

IMMIGRATION

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the acting Prime Minister. Now on to another scandal, because it is also a scandal for women.

All Canadians and Quebecers are going to look a little silly this week–end. The Minister of Immigration's stubbornness will prevent Ms. Hafsa Zinaï Koudil, a filmmaker of Algerian origin, from participating in the Montreal festival "Vues d'Afrique", which will feature her movie "Le Démon au féminin" decrying the violent way religious fundamentalists in Algeria treat women.

How can the acting Prime Minister justify the Minister of Immigration's obstinate refusal to grant a visitor's visa to filmmaker Koudil?

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, officials must follow the law when making any decision to accept or refuse a request for visa. This is something the hon. member knows well.

I have been asked by the minister to encourage both the member and the person in question to reapply, to submit any new information. Departmental officials are bound to uphold the laws and protect the interests of Canada. The member knows this well and we await a new application if there are new facts.

* * *

SEAGRAM

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, to the Minister of Canadian Heritage, he has denied having a meeting with the Bronfmans prior to the announcement of the Seagram's deal. Did he have a meeting in Los Angeles? If so, what was involved in that meeting? Did it involve Investment Canada?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, no meeting took place and therefore the response to the second part of the question is no.

* * *

GASOLINE PRICES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is directed to the Minister of Industry. Over the past few days gas stations across Canada have increased their prices by as much as 10 cents a litre without justification.

This is the sixth price increase in the last 11 months, representing more than a 25 per cent increase to consumers and a 40 per cent increase to oil companies' revenues after record profits last year. These increases will cost Canadians over $3 billion each year and will hurt business, agriculture and consumers, basically our entire economy.

Failing a voluntary rollback by the oil companies of these unfair increases, will the government act to protect consumers by rolling back these costly increases until a price review can be conducted to see if these price increases are justifiable?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I thank the member for his question and I recognize the continuing work he has put into this matter of raising the attention of the Canadian public to the level of gas prices in Canada. He has worked very hard.

As he knows from the answer I gave to our colleague from Carleton—Gloucester, I share his concern about the apparently inexplicable increase in prices that Canadians have experienced and from coast to coast are complaining about.

As to his suggestion of regulation of prices, this is not something I favour. I do not believe that to regulate prices, either to roll them back or to tell companies what they should charge for the goods or services they provide, is the best way for consumers ultimately to enjoy lower prices.

The real solution is real and sustained competition.

• (1210)

The Acting Speaker (Mr. Kilger): This concludes question period today.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 18 petitions.

* * *

STANDING COMMITTEE ON INDUSTRY

GOVERNMENT RESPONSE

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is my pleasure to table the formal response of the government to the fourth report of the Standing Committee on Industry, "Rebuilding Trust", pursuant to Standing Order 109.

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

Hon. Herb Gray (for the President of the Treasury Board, Lib.): moved for leave to introduce Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision.

(Motions deemed adopted, bill read the first time and printed.)

* * *

CANADIAN DAIRY COMMISSION ACT

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): moved for leave to introduce Bill C–86, an act to amend the Canadian Dairy Commission Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion. I move:

That, notwithstanding any standing order, on Monday, May 8, 1995 the sitting of the House shall commence at two o'clock p.m.

(Motion agreed to.)

* * *

PETITIONS

BILL C–58

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, I have a petition signed by over 500 citizens from the region of Montreal who ask that Bill C–58, an act to amend the RCMP act and the Public Service Staff Relations Act, be withdrawn.

They say the bill is undemocratic, will isolate the members of the RCMP by depriving them of the status of public service employees and will in consequence violate their fundamental rights and freedoms.

CANADIAN ARMED FORCES

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, pursuant to Standing Order 36 it is my duty and honour to rise in the House to present a petition duly certified by the clerk of petitions on behalf of 25 individuals.

The petitioners request that Parliament at the earliest possible time initiate a wide ranging public inquiry replacing many being convened piecemeal into the Canadian Armed Forces, including reserves, which will investigate, report and make recommendations on all matters affecting its operations, tasking, resources, effectiveness, morale and welfare.

ASSISTED SUICIDE

Mr. George S. Rideout (Moncton, Lib.): Mr. Speaker, I have two petitions to present pursuant to Standing Order 36. The first deals with assisted suicide.

The petitioners urge we make no changes to the Criminal Code which would affect that area.

• (1215)

REPEAT SEX OFFENDERS

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): The second petition, Mr. Speaker, deals with the request of citizens of Moncton that changes be made to the charter of rights and freedoms to enable residents to be notified when repeat sex offenders are released into the community.

SAME SEX RELATIONSHIPS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I have five petitions to present today. The first one, signed by 35 people, is that the petitioners pray and request that Parliament not amend the Canadian Human Rights Act or charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships.

ASSISTED SUICIDE

Mr. Jim Abbott (Kootenay East, Ref.): The second one is signed by 25 petitioners, requesting that Parliament not change the law respecting assisted suicide.

PROTECTION OF THE UNBORN

Mr. Jim Abbott (Kootenay East, Ref.): The third petition is signed by 25 petitioners with respect to extending protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

BILL C–240

Mr. Jim Abbott (Kootenay East, Ref.): The fourth petition has four pages and has to do with the petitioners calling upon Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders by permitting the use of post–sentence detention orders—specifically, passing my colleague's private member's bill, C–240.

BUDGET

Mr. Jim Abbott (Kootenay East, Ref.): Finally, I have 500 or 600 signatures on a petition in response to the budget that just came down. Again, these petitions are still coming in.

The petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I too rise to present four petitions this afternoon. I have one petition here with over 400 signatures.

The petitioners are praying and requesting that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal government spending.

SEXUAL ORIENTATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): The second petition, Mr. Speaker, is a petition with roughly 75 names. These petitioners are requesting that Parliament not amend the human rights code and the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase "sexual orientation".

PROTECTION OF THE UNBORN

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): The third petition that I offer today under Standing Order 36 is that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

BILL C–41—SEXUAL ORIENTATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the fourth petition that I present is again from many residents in my constituency who are asking that Parliament not pass Bill C–41 with proposed section 718.2 as presently written, and in any event not include the undefined phrase "sexual orientation", as the behaviour people engage in does not warrant special consideration in Canadian law.

I thank you, Mr. Speaker. It is my privilege and pleasure to present these petitions today.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I suggest that all the questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed consideration of the motion that Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, be read the third time and passed.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, before question period, I started pointing out the flaws in Bill C–43. I mentioned the staging of the ethics counsellor's appointment and the authority he was supposed to have. I highlighted the discrepancies in the Liberal position and their about face regarding several points, including the different categories of lobbyists.

One will recall that the Liberals, when they were in the opposition, wanted to have only one category for lobbying because, in their opinion, lobbying was lobbying.

• (1220)

But once they came to power, their friends, probably the ones who fund their electoral campaigns, told them: "No, no, no! We would rather it stay the same, with three different categories". So, the Liberals reviewed their position and now, Bill C–43 meets the lobbyists' demands, maintaining three categories.

Before question period, I was dealing with the third flaw I found in Bill C–43. In total, there are eight major flaws which were deliberately introduced with a view not to reach the stated goal of Bill C–43, which is transparency. The third flaw I found has to do with the compulsory filing of a return. As I mentioned earlier, the scandal regarding Pearson airport, in Toronto, is ample proof of how lax the present rules are in this area.

One will recall that the privatization contract was signed at the height of the federal electoral campaign, in 1993, and that subsequently an inquiry looked into that deal. The Nixon report, issued on November 29, 1993, revealed several instances of misconduct on the part of lobbyists, officials and political aids to the ministers concerned. The report raised several other questions which have remained unanswered to this day. For example, who are the lobbyists who contravened the most elementary rules of ethics? When did these events occur? How did they act illegally or unlawfully? Who are the officials and political staff members who went too far in this matter?

The Liberal government did not answer those questions. They chose to close their eyes to such stratagems which undermine the credibility of our democratic institutions. Most unfortunately, Bill C–43 offers nothing new. We remain totally in the dark. The clique exercising such undue influence will continue to have its way, and that is terrible. While they were in the opposition, members of government had promised they would bring transparency into this issue.

If the Liberals were serious about transparency for all government undertakings, why do they now refuse to force lobbyists to indicate which contracts they are trying to influence the federal administration on? Furthermore, why do they refuse to disclose which contracts are attributed in a discretionary fashion, without any call for tenders? I regret that the Liberals absolutely refuse to shed any kind of light on this issue.

If the Liberal government were really serious when it talks about integrity and transparency, would it not demand that lobbyists also disclose their fees? I learned, through the Minister of Industry, that in Ottawa, some lobbyists charge up to $5,000 a day to negotiate small arrangements with government.

In such a case, people have the right to know who is paying this kind of money, who has an interest great enough to pay up to $5,000 a day to have a minister or the government change its position or decision. But no, Bill C–43 says nothing about that.

When they were on this side of the House, the Liberals were in favour of such disclosure. They thought, quite appropriately, that lobbyists should disclose their fees. I will give you specific examples of Liberal members who have changed their tune since they took office.

The member for Glengarry—Prescott—Russell, and government whip, said on February 2, 1993: "In other words, the public has the right to know who does what and for whom, and at what cost". When in opposition, that is what they were asking the government. Put even more eloquently, on February 16, 1993, the current Parliamentary Secretary to the Minister of Industry said, about the disclosure of lobbyists' fees: "One of the reasons I stand firm on the issue of disclosure is that your organization does not work only in the area of politics. You now have a polling department and a media relations unit. Your organization"—he was answering someone in committee and knew what he was talking about—"has a strong influence not only on consumers but also on government and the media. In a town like ours you only have to be a few days in the press centre to have almost any idea accepted. One of the reasons I believe your fees must be disclosed is that it sometimes happens—Take the referendum for instance: millions of dollars have been put in the system by lobbying firms advocating a position while we knew almost nothing about them".

• (1225)

The parliamentary secretary to the minister said only a few months ago that lobbyists fees had to be disclosed. Today in Bill C–43, the minister says that fees will not be disclosed. What did members say? What did the parliamentary secretary to the minister mention? I will not answer that question. I will not answer it because I find it deplorable that a member did not raise to express his concerns and or defend the ideas he had when he was in the opposition. Power corrupts and gives Alzheimer's to Liberals.

I would now like to refer to another issue over which the Liberals ranted and raved when they were in the opposition, and that is the contacts initiated by lobbyists with ministers and officials. They seem less concerned about that issue today, although the problem remains unsolved.

Suppose that Bill C–43 had been in force during transactions which led to the contract to privatize Pearson airport. I often choose that example because it was a scandal known to all Canadians and to the Liberal themselves. The new registry would have told us on what contract a consultant lobbyist had worked, and that this lobbyist contacted the relevant department, in this case the Department of Transport. So what? Such are the changes brought about by Bill C–43. That is the information we would have.

This new obligation to disclose is being presented as a bold move by the government and the Liberal majority in the committee. It goes without saying that, for the Bloc Quebecois, it is essentially pointless. It is obvious that a lobbyist trying to influence the government on an issue relating to the privatization of an airport would contact the Minister of Transport. That is obvious, we do not need a bill to know that; one does not have to be a rocket scientist to guess that.

To really have transparency in its dealings, the government should have agreed to lobbyists revealing their meetings with a minister and the names of the senior officials involved. Bill C–43 should have required lobbyists to say they had contacted a given minister or a given senior official at a given time, that they had discussed a given issue, that they wanted the government to make a decision on a given subject. Bill C–43 does not say anything about that; it does not give us what we wanted.

Such transparency would have helped to restore the integrity of institutions in people's minds. Once again, the government missed the boat. Once again, we proposed some amendments to this end, but the government said no to the transparency and the integrity proposed by the Bloc Quebecois.

Also, why not require lobbyists to reveal their political ties? It would be interesting to know that a given lobbyist is employed by a given political party. It might be interesting to know that a given lobbyist had once been a candidate for a political party. It might be interesting to know that a given lobbyist is the president of an association or was a minister's chief campaign organizer. It might be interesting to know also that a given lobbyist gave $1,000, $2,000 or $3,000 to the Liberal Party's fundraising campaign. It would be interesting to know that.

But no. When the Liberals had trouble collecting a nickel, that was required from the government, the lobbyists had to reveal that. But now that they are in office, now that they have cocktails and luncheons at $1,000 and $2,000 a plate, they do not want this information. They have changed their tune.

• (1230)

Since time flies, I will not deal at length with the contingent fees some lobbyists ask from those who hire them. They say: I will charge you $5,000 an hour—as in the example given by the minister—to make representations to the government, and if you win your case, you will pay me $250,000 on top of my fees. I am using large figures to put my point across more clearly, but that is what is meant by contingent fees.

The Bloc Quebecois thinks Bill C–43 should prohibit contingent fees. Of course, as you have seen, Mr. Speaker, the Liberals rejected that amendment. However, witnesses who appeared before the committee said that contingent fees lead to scandals and influence peddling. The higher the contingent fees, the more forceful lobbyists will be in their representations to the minister and the more they will use all kinds of tactics. Today, the Liberals find that quite acceptable. It is not. Those are the kind of things they criticized when they were the opposition, but now that they are in power they are too busy at the trough and feel everything is fine. Such smoothies.

I repeat that I could keep talking for hours on this important issue. As a matter of fact, it is so important that the committee heard about 80 witnesses. We received brilliant briefs. This was the third time a group of parliamentarians reviewed this issue. We have had the Cooper Report, we have had the Holtmann Report and now you have before you today the Zed Report.

Three times, parliamentarians have said: "We have to give teeth to the Lobbyists Registration Act". And what do we have before us? A toothless bill, a spineless bill, that will not reach the goal of openness that had been set. There is nothing new in this bill, and scandals will occur again.

Talking about scandals, about current events also, as you could see during question period, all kinds of revelations are being made. These issues have been raised for weeks now. We are not the only ones saying that there is something strange going on in the government machinery, something that is going wrong. Except of course for *The Gazette*. But nobody wonders why *The Gazette* is supporting the government.

What all these elements are showing us I think is that there has never been such an urgent need for a bill to closely regulate the lobbyists. That is what current events show us, with the saga of patronage by the Liberal government in its policy on direct to home satellite broadcasting.

Here is what Jean–Robert Sansfaçon wrote in today's *Le Devoir*: "Seldom has the federal government been more obviously under remote control than with this decision to suspend the rules set out by the CRTC. This is an action whose only purpose is to allow onto the scene a certain player, none other than the company run by the Prime Minister's son–in–law, André Desmarais. Once more, the Minister of Canadian Heritage, Michel Dupuy, looks like a puppet, unable to apply either the letter or the spirit of the Canadian Broadcasting Act".

All that has been done through lobbying, meetings and visits with the minister. And all that is the doing of the powerful PowerCorp lobby.

We now have Bill C–43 before us. It could not have come at a more appropriate juncture. We have the proof we need to say that with Bill C–43 as enacted, as drafted, nothing will change and scandals as those we have witnessed this week will occur again, and our questions will never get answered. We will never really know what guided the minister in his decisions, his visits, his meetings, etc. That is a true scandal.

• (1235)

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is indeed an honour to be able to rise in this esteemed House, the one to which all of us were elected to represent the people of Canada, to address the question of lobbyists.

I will begin by commending my colleague from the Bloc who just spoke. He presented a very good case and I very much appreciate the points which he raised.

I would also like to comment briefly on the process we went through. As most members know, this was the first bill that went through the new process of going to committee after first reading. As I have said previously in this House, I found that experience both frustrating and rewarding.

It was rewarding in the sense that we had a very amiable chairman. I have said that before and he usually grins when I say that, and I give him that compliment again. I also got to know and to like all of the members on the committee. It was a very good, free and easy exchange.

We were assured during that process that we could think out loud. We could bring out ideas which perhaps we did not really espouse but we wanted to raise as questions. What would happen if we did this or what would happen if we did that? Being a neophyte, I thought that was a wonderful way of discussing and debating. I thought that we were going to get a really good bill out of this process and I was very enthused for most of it.

We had excellent witnesses. Again, I would like to go on record as commending them. They did a good job in presenting their cases.

Underlying all if it, I always wondered whether we really needed the lobbyists. As a matter of fact, if I can express my naivety, I came to Ottawa as a new MP in the fall of 1993 thinking that strictly speaking lobbyists are redundant and they should not be here. To a large degree I still think that way.

That reminds me of a story my assistant shared with me about a problem with some ravens that apparently had pretty well taken over the city of Ottawa. The ravens were becoming a real nuisance. They not only messed up cars, they occasionally attacked children and on occasion even, shall we say, bombed some public officials. That is when action had to be taken.

The mayor of this esteemed city put out a call saying that there would be a $5,000 reward for anyone who could get rid of all of the ravens. Lo and behold someone from the country said to the mayor: "I will solve your problem but it will cost you $5,000". The mayor said that very well, it was worth it because when that last official got bombed by one of the ravens that was the end of it.

The young man had a cage which contained a blue raven. He went to where all of the other ravens were, opened the door and let the blue raven out. That blue raven somehow attracted all of the other ravens and they flew together out of town and were never seen again.

The mayor said to the person: "Here is your $5,000, but I have a question for you: Do you have any blue lobbyists?"

That is a question. Should we get rid of all of the lobbyists? Should we get one of them to take the rest of them out of town?

I will admit that I underwent a minor change in my thinking during the work on this committee. I met different people and different groups and particularly, certain professional associations, business and industry associations which came to make presentations before us. In fact, they were quite successful in convincing us of their importance. I will not mention any of them specifically by name.

● (1240)

Certainly, just as what happens in this place deeply affects citizens, it also affects groups of citizens, businesses and different professions. Therefore, for the government to have some kind of an interface with an association of all of the dentists in the country instead of having to deal with each one individually probably has some merit.

Another one that comes to mind is a presentation that we had from an association of the forestry industry. In this particular instance public policy measures of taxation, environment protection and so on impact greatly not only on the industry's ability to do business in this country but also on its ability to compete worldwide, a factor which is ever more present with us.

Consequently, I came to the conclusion after thinking about this that there probably was some justification for these people to be represented by a smaller association which would specialize in making their views known to the government.

I still think though that for the bulk of public policy issues, lobbyists should be unnecessary. As a matter of fact, as a member of Parliament I am frequently asked whether I will meet with this or that group. I have several rules. One rule is that I usually respond by saying that I do not meet with lobbyists. My constituents, the people who elected me, are my lobbyists. They are the ones I am here to represent.

I have a few little subrules as well. If a lobbyist group comes to see me and one of the delegation members comes from my constituency, I do not care what their issue or cause is, they automatically have an in. I will never refuse to talk to any member of the Elk Island constituency for any reason.

I also have a couple of other little subrules. Occasionally there are groups that have done a lot of research and are specialists in their field. If they can increase my understanding from a technical point of view or from the government impact point of view on the wider population not just in my constituency but throughout the whole country and I have an opportunity to learn something, I will not deny that opportunity.

Therefore, I have had the opportunity to deal with a number of lobbyists directly. In most instances I have appreciated this.

We need to talk about this bill because it seems to be a foregone conclusion that the work of the MP is not effective. I hate to stand up and say this. I know that in a way I am impugning all of my colleagues, myself included, and certainly all of the backbenchers on the government side. It is true that our access to the decision making loop really is limited.

I was interested and paid close attention to the minister's speech this morning. I am going to respond to a few things he said. Among other things, he indicated that it was the government's goal to give MPs a greater role. I wrote that down. I remember reading that in the red book during the election campaign. I must confess that I never did read the whole book.

Mr. McCormick: That was your first mistake.

Mr. Epp: I read enough to get the gist of it. However, I do remember reading this part. I was afraid that perhaps we would not win the election. If the Liberals had as their platform a greater role for the MPs and limiting lobbyists and so on, they were stealing our platform and maybe the people would believe them and elect them and then we would not win.

Well it so happens that despite that, I did in fact win in the Elk Island constituency. When I was asked to be on this committee it was great. It was something I really believed in and would be able to work on.

The minister this morning made reference to the specific statement that there would be a greater role for MPs. Frankly I have not observed it. I observe that decisions are still made mostly in the offices of upper level government officials in the departments, the top bureaucrats, in consort with deputy ministers and ministers. For ordinary people, including members of Parliament, to break into that loop is difficult. I understand it is almost as difficult for members on the government side as it is for those in opposition.

• (1245)

We all have influence. I am aware that Liberal members have influence in their caucus. However there would be no lobbyists if the people were able to successfully promote their views of what kind of country they would like and what our public policies should be. Their MPs are free. Well, they are not free. Taxpayers pay very handsomely for them, including the MPs' pension plan to which the government so eagerly hangs on. There is no additional or incremental cost to someone who wants to send a message to government if they do it via their member of Parliament.

That lobbyists exist is mute testimony to the fact that many people, being pragmatic, recognize that if they want to have their issues heard, they know that is how they have to do it.

I would like to say a few words about the changes we have produced to the bill. It was a good experience in the committee to propose amendments and to talk about them. Many of them were done before there ever were any clauses.

The final clauses were done quite unofficially without formal amendments. Then we began the process of formal amendments. You must remember, Mr. Speaker, as in the House, the committee is made up of a majority of members from the government side. The member for the Bloc and myself representing the opposition were, shall we say, considerably outnumbered.

I will say to the credit of the government members there that we did have an open discussion. We were heard. For the most part there was a high level of respect. I really appreciate the relationship that developed and the ease with which we were able to discuss things.

Then my hon. colleague from the Bloc, as he mentioned in his speech, proposed a large number of amendments. Those amendments were uniformly declined by the members on the government side. I was very disappointed. The House has already heard the member for the Bloc speak today. He described his amendments and their justification. Certainly there was justification for that. The government lost a great deal because it failed to put those into the bill and therefore they will not become law. That was very frustrating.

Then I brought in a number of amendments. As you know, Madam Speaker, we voted on those several evenings ago. I felt badly about it. It was due to the many amendments we brought forward from our party that all of us had to sit here for about an hour doing all of those votes. In order to maintain my integrity I had to bring those forward. I had to make sure that the government would go on record as saying "yes, we want these" or "no, we do not", just so the lines could be clearly defined.

• (1250)

I am pleased. As far as I know it is a record that two opposition amendments were accepted. I believe it is the first time that opposition amendments at report stage in this Parliament have been accepted. They were very good amendments, not because I brought them but because they were well supported. It shows they were logical and represented the wishes of the people. It was very gratifying to have those amendments passed.

A number of the amendments we made were declined by the government. Unfortunately this is going to be the proof of the pudding. This is going to be the Achilles heel of the government, where given an opportunity to really increase openness and transparency it declined the opportunity.

I do not want to be only negative. I said when I was elected a member of the opposition, not only would I criticize when things were wrong but that I would also try to give accolades when things were good.

Some things in the Lobbyists Registration Act are fairly positive, for instance, the increase in the disclosure requirements. If people now want to know who is lobbying who, they will know more than before Bill C–43 is passed. I presume it will be passed next week because of the Liberal majority.

The Reform Party thinks it is important for members of coalitions to be represented and registered so that if there is an association, its registration indicates all its member organizations.

We believe it is important, and this was our amendment, a very significant one, that when a lobbyist or association or corporation they represent receives direct government funding it also be disclosed.

I was asked about that not long ago by a member of the media. I said it really is stage one. Once Canadians find out that they are funding groups whose business it is to step in front of ordinary citizens in order to try to influence government, that funding will soon cease because of public pressure. Obviously there has not been the political will to stop funding lobby groups at this stage. Now that will be disclosed and people will be able to know exactly how much the government is spending on funding these various organizations.

When people know I am sure they will start sending their politicians a message that says stop funding them. That is our goal. There is no doubt in my mind that a lobbyist group should be funded by the people they purport to represent. If they do, they have full legitimacy.

A group whose first lobbying function is to lobby the government for its own funding so that it can continue to exist and then purport to represent a whole bunch of people is just not authentic. It totally minimizes its effectiveness and is a waste of money, besides being an aberration in the democratic process.

I am very pleased that the bill provides for the electronic filing of returns. One of the things we heard is that more and more government is intruding on our lives. It is making report filing more difficult. Certainly Canadians are very aware of that at this time of the year.

Under the Lobbyists Registration Act lobbyists can register and complete their information electronically so it is less onerous. It was a very fine idea to have the time of registration extended. Most of the time it is not urgent for these registrations be filed immediately, when the activity is taking place.

To ask for a final disclosure does two things. It is now required that every six months they bring their file up to date. What makes this good is knowing that it has to be disclosed is in itself a form of control. I think of it the same as when I do my work as a member of Parliament. I try to keep in the back of my mind the objective that we need to write and behave in such a way that anything ever made public will not bring us into disrepute. If we adopt that attitude, ultimately the people of Canada will be the judges. Then we will have a good process.

• (1255)

I need to criticize a little bit. The minister took the occasion in his speech this morning to deal at length with the question of restoring trust and confidence. He talked a bit about some of the current issues. I asked a question and he made a comment that: "The member for Elk Island cannot wait to have his say". It is true. I was trying to get his attention. He was talking about the current problem and giving the government's point of view.

I was trying to get something from the minister but unfortunately he did not respond. How does Bill C–34 solve the problem? I was not heckling him. I was simply trying to get his attention. The minister ignored that and proceeded with his statement, which is fine. In his speech time he is entitled to finish what he has to say.

The reason he could not answer is because Bill C–34 will not solve the problems that come before the House from time to time, including the current questions before the House. We all know what they are.

Issues that are important here are openness and accountability, showing that things are being done right. We could have a situation where things are not being done right and if people never find out about it, they will continue to be done in the wrong way. If we have an openness, a transparency—that is a word which means we can see through things, we can see right to the back of it—then these kinds of problems and issues could be put to rest reasonably quickly.

I do not believe there is sufficient meat in Bill C–34 to achieve the goal. That is regrettable because it was an opportunity for all members of the House to assure the Canadian people that, in fact, their government is honest. I am not implying it is not. I am talking about the assurance part of it. Even if it is honest and if the people perceive differently, then the battle has not been won. It needs to be correctly communicated in such a way that it has credibility.

Bill C–34 fails to do that for a few reasons. I will only have time to state a few of them. I want to use my time to talk later on about the big issue.

First I would like to point out that the red book promised in the 1993 election that the Holtmann report on lobbyists would be enacted. There are a number of areas where that has not been done. One explicit recommendation of the Holtmann report on lobbying, which was a couple of years ago, was that there should be an elimination of the tiers.

I suppose a lobbyist is a lobbyist is a lobbyist. If the purpose is to either procure a government contract or to influence government policy, then they are lobbyists. From the taxpayers' and voters' point of view, it really does not matter whether the association hires an external lobbyist who goes to government or whether the association or organization sends one of their own. That tier distinction for most groups is irrelevant. In every instance a lobbyist is out to influence a government decision. We felt very strongly that the distinction between the tiers should be removed.

• (1300)

I will admit again that I went through a metamorphosis here. At one stage I thought that very strongly, and then for a while I was thinking there is some justification for having a differentiation and perhaps less onerous reporting requirements. However, with further reflection, thought, and analysis, I came back to the conclusion that indeed there should be open and full disclosure of all of them equally.

Another problem is the definition of lobbyists. It is quite clear for association lobbyists and is included in the act that if they do lobbying for pay they are lobbyists and are required to register. However, the way C–34 is written for tier two lobbyists, the association ones, those who represent an organization from

within are only required to register if the lobbying activity, by some undefined definition, is significant.

We think the word "significant" leaves it wide open. In fact, people could be lobbying for a fair amount of time, but if they do very much other work then this two or three day amount of lobbying could be interpreted as insignificant. But if that lobbying is done by a person who has high government contacts, perhaps just a one–hour or two–hour luncheon meeting could have tremendous impact on a government decision. For that not to be disclosed is again a breach of the confidence that Canadian taxpayers are expecting.

Another issue we thought was very important is that there be a disclosure of political ties. This always comes up: So–and–so talked to so–and–so and got this achieved. Who did he or she know? What was the connection?

I know we also attract a large number of people. Just as the Liberals have a large number of supporters, party members, people who work on campaigns, so do we. Anticipating that not long from now we are going to be on the government side, I welcome the disclosure; I welcome the fact that if some time we are over there, there should be a total disclosure of someone who has worked on our campaigns. What's to hide? Why should we try to deceive the Canadian people on an issue like that? That should have been included in this bill.

We also believe that significant political contributions should be registered. We just pegged $1,000 as an arbitrary amount; that could be changed from time to time. But usually, if someone will put down a cheque for $1,000 they are more than just a casual supporter; they are usually people who are highly influential, or at least more influential in the party.

We can see that following the election it could happen that those same people want to try to influence the government. I would like to recommend very strongly that this should be disclosed. Again, what's to hide?

It has been a while since I have conducted 55–minute classes, so my voice is getting a little raspy. The difference is that when I used to teach at the technical institute my students paid attention and learned something. Now that was an unkind statement.

There is one more flaw to discuss before getting to the next section. Another considerable flaw in this bill is that there is no requirement to disclose the name of the government official being lobbied. We require the name of the lobbyist; we require the name of the groups or associations that are represented. But all that needs to be said is that, for example, in the Pearson airport deal the Department of Transport was being lobbied, and I think it would be very useful for Canadian people who judge matters like this if they could have a clear indication of who in the department was being influenced.

I want to talk a little about the ethics counsellor. There are other issues, but I am going to run out of time.

• (1305)

To me, the ethics counsellor is the pivotal point of this whole bill. I would like to begin by commending the government for bringing in the position of an ethics counsellor. It was long overdue. I suppose we could applaud that and say to the Prime Minister and to the government that this is a step forward. Unfortunately, the position of the ethics counsellor will end up being the weakest point of the bill, and it did not have to be. This is most regrettable.

The only time the ethics counsellor is needed is if there is a suspicion. Normally, if there are good relationships between companies or between associations and government, and there is no allegation of wrongdoing, the ethics counsellor can just sit in his office and go about his usual duties.

I would reflect on what the minister spoke about this morning. He talked about the deal with the minister of heritage. He mentioned it at length this morning. When I was trying to get his attention as to what Bill C–43 would do about it, I was hoping he would say that the ethics counsellor will investigate and put the matter at rest. I was trying to give him an out, and he did not bite at the bait; he ignored it.

That is a demonstration of the flaw in this bill. The minister did not recognize that in this particular case, where he claims over and over again that the minister did nothing wrong, the government did nothing wrong and the Prime Minister did nothing wrong, it is not convincing. It is the fox declaring loudly, "I did not eat the chicken", while the feathers are dangling from his mouth. Even if it is right, it requires independence to have credibility.

When we form the government I will welcome an independent ethics counsellor. I want one. If there are allegations that are untrue, I want an ethics counsellor to be able to investigate and to declare to the Canadian people beyond a shadow of a doubt that there was not any kind of influence or pressure and that he has investigated and has found nothing wrong in order to clear the name.

Under this bill the ethics counsellor is appointed by the Prime Minister, he answers to the Prime Minister, and he reports to this House through the registrar general. Everything is done through the government. Usually the allegations are of wrongdoing between a member of the government or a member of the bureaucracy. Any thinking person can see that if the ethics counsellor is appointed by and answerable to and through the government, any minister or the Prime Minister, he is basically unable to do his job. That is most unfortunate. It is most regrettable. That is the greatest missed opportunity in this bill, and it is the one I emphasize the most.

I would like to talk about both sides of this issue. When there is an allegation of wrongdoing there are really only two possibilities, with perhaps some interpretation along the spectrum in between. Let us consider the current issue that is before us in these dealings we have had during question period and in all of our debates this week. Either there is nothing wrong, as everybody over there keeps saying, or there is something wrong.

First, I would like to deal with a supposition. Here is a hypothesis. Let us suppose that in fact there was something that was not right. I want to have an ethics commissioner who has total freedom to investigate and to declare to the public via this House directly that he has investigated and this and this and this is wrong.

• (1310)

The other hypothesis is that there is no wrongdoing. Under our present system and under the one proposed by this bill, if the ethnics counsellor investigates and then says there is nothing wrong, the people of Canada will say we are not really sure we can trust him. It is not because he has not done his job. The current person who holds that office is a person of high esteem and honour. I have no reason to be suspicious of him. However, the man is hampered in his ability to convince the people simply because he lacks the independence of being able to give an independent report. Even if he has done his very best, he is still seen by the people as possibly having been pressured or organized by the Prime Minister, because he is appointed by him and is answerable to him.

We have had a number of cases in which we have asked for the ethics counsellor to investigate. The answer has been no, I am not going to ask him. We have gone on several occasions to the ethnics counsellor directly: "Were you consulted? Have you investigated?" The answer was "No, I have not been asked".

It is true that right now the counsellor is somewhat inhibited because this act has not yet been proclaimed. When it is, I believe that his role will be somewhat strengthened. He will then be empowered to investigate, so that will strengthen his role compared to what it is right now. There is a plus, and once again I applaud the government for that plus.

The negative end of it is that he is still required to table his reports, both the annual report and the reports as a result of an investigation, through the minister, the registrar general. This is ironic. I just point out a possible future flaw, a trap that will catch us. What happens if the registrar general, who is a member of this House, becomes the object of a suspicion and if the ethics counsellor does an investigation of that and then presents his report to the very minister he is investigating? Who will believe him? It does not matter what he says. He could say that everything is okay and no one will believe him. If he says that there is such and such a problem, of course that would be great. Then he would be believed. But it would have greater authenticity if he could have the freedom to answer both ways.

When I plead for the defeat of this bill based largely on the fact that the ethnics counsellor lacks independence, it is because I am looking forward to the day when I want him to have total freedom to convince the Canadian people that the allegations of wrongdoing are false. That is the motivation. There is nothing that is more important than that.

We need to do everything possible to strengthen the legitimacy of the role of the ethics counsellor. I would like to add that the annual reports also should be given directly to this House.

I think of a perfect analogy. When I go across the country—and I have not done too much of that, I have done most of my work in my Elk Island constituency—I visit other people in Saskatchewan and also in Manitoba. When I talk to them, one government official who has almost universal recognition and respect is the auditor general. The auditor general, because of the way he is appointed and the way he reports, is believed. There is no doubt that the flaw in this bill is that the ethnics counsellor will be hampered in his ability to provide believable reports simply because he lacks that independence.

I would like to conclude my statements, Mr. Speaker, by saying simply that this to me is a broken promise. It is an opportunity missed. It is regrettable because, among other things, the red book stated it explicitly. On page 95 it states the ethics counsellor will report directly to Parliament. Had the government fulfilled its red book promise in this legislation it would have been a good response.

• (1315)

I know I cannot comment on votes. Therefore I will not say I regret my amendment was not passed. However, I really commend the positive parts of this bill but I regret we will not be able to support it because of these tremendously important flaws in it.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I have listened carefully to everything that has been said until now during the debate on the lobbyists registration system and I caught myself thinking that it is quite a paradox that, on this day, Friday, April 28, the House is at third reading of a bill which is at the very heart of our democracy while the government is linked to numerous nepotism and patronage scandals.

This is really something else. I see that the hon. member for Kingston and the Islands wants to take part in this debate. It is also a paradox that he is allowed to speak without ever rising

from his seat. Of course, Mr. Speaker, it is only through your kindness that we can hear what he is saying.

I would like to remind the House of the importance of the lobbying issue. We are not saying that this is an easy question. We are not saying that this is a trivial issue. We are not saying that this is a futile issue, because it deals with the degree of openness the government is ready to allow.

We must remember the words of the hon. member for Berthier—Montcalm whose contribution to this debate was so enlightening.

An hon. member: Enlightening?

Mr. Ménard: Yes, enlightening, and I am weighing my words. I want everyone to know that, were it not for the painstaking, relentless and honest work of the hon. member for Berthier—Montcalm, this debate would never have reached the level of honesty, integrity and perceptiveness it has reached in this House.

All this to say that the lobbying issue, as we all know, is linked to the willingness of our Parliament to ensure that government decisions, policies and guidelines are developed in the open. No wonder the public is asking for such a piece of legislation, for a tougher law, because the voters generally are much more interested nowadays in public affairs.

Not only are people more interested in public affairs, but this reflex of our fellow citizens to want to know who makes the decisions, on whose behalf they are made and, of course, lastly, who tries to influence them is a very positive sign, a sign which we should welcome with great joy. In short, this bill ensures that all political decisions are taken openly and publicly.

I had a friendly talk a little while ago with the government whip who is, it must be said, a seasoned parliamentarian, an experienced parliamentarian. This man, the governement whip, who is my friend notwithstanding, reminded me that he had spent 12 years in the opposition, a claim that not all parliamentarians can make. Remember the fight he waged when he was in the opposition.

• (1320)

I remember seeing him, of course, I was very young then, but being young is not a life long condition. I remember seeing him intervene virulently in this House and ask the government, which of course was Conservative at the time, as we know, to give Canadian democracy a tougher lobbyists registration act.

What happened in the meantime, since we know that the government whip and his colleagues have not changed? How did these people who, when they were in the opposition, fought so hard for such a bill, come to present such a watered down version now that they form the government? This is a bill that could even be called insignificant.

What happened? Of course, the Liberal Party, which is a continental party, formed the government. As we know, it is taboo for the Liberals to talk about adopting legislation on popular financing of political parties even though, for the sake of fairness, we would have been entitled to expect them to be logical with themselves. Considering the dynamics of politics, we can accept that the government would not bow to the wishes of the opposition, but it is beyond understanding that the Liberals would go so far as to disown their own past.

It is beyond understanding and saddens us. Of course, we could argue that the role of the opposition is to criticize, but you know how the opposition has been responsible, enlightened and forward looking since October 1993. Finally, we turn to independent sources to see what is being said of the bill.

I would like to quote someone who is very influential in Quebec, a journalist—and journalists, like lawyers, command some respect in our society—an intellectual and a graduate of ENAP who began to take an interest in questions of accountability.

Let me quote Gilles Lesage, journalist at *Le Devoir.* He is a reporter for *Le Devoir*, a newspaper that the member for Kingston and the Islands should read more often. You will understand that a reporter for *Le Devoir* has no political ambitions. His criticism is essential to our democracy. I would like to read the first five lines, or so, from his article.

Here is what Gilles Lesage, a moderate and respected figure, had to say. Allow me to quote him particularly for the benefit of the member for Kingston and the Islands. He said: "As well–inspired as it may be, the bill does not even come close to fulfilling the promises made by the Liberals, even though the Liberal action plan for Canada was clear on the need to restore integrity in our parliamentary institutions".

Mr. Lesage was no doubt referring to the red book and to all the speeches made by the Liberal Party's big guns during the election campaign. They talked freely and openly about democracy, parliamentary integrity and transparency.

But let us go back to what Gilles Lesage had to say. He said, and I quote: "The action plan—still talking about the red book—suggested that Canadians should have the right to meet with ministers and senior officials or to be represented in their dealings with the government without having to pay lobbyist fees. It also promised a code of ethics, the appointment of an ethics counsellor reporting to Parliament and the implementation of the Holtmann parliamentary report from June 1993".

• (1325)

None of this is in this bill, except of course for the code of ethics. That is why Canadians are disappointed and that is why our institution is losing its credibility.

The Liberals have always talked from both sides of their mouth, saying one thing when they are on the opposition side and something else when they are on the government side. This runs through the party's history. I could give other examples, but that is the kind of thing that has done the most damage to our democracy.

The Bloc Quebecois, being responsible in its role as the official opposition, has studied this issue with an open mind and with great interest. I think it is worth reminding my colleague, a newly elected member who will surely gain a lot of experience in this House, of the five points proposed by the member for Berthier—Montcalm who, as we know, did a superlative job on this issue. He was even quoted by journalist Gilles Lesage, who wrote: "Mr. Michel Bellehumeur is suggesting five main amendments"—I hope the members of government are listening, especially their whip—"that is: the ethics code should be recognized as a statutory instrument; the ethics counsellor should be appointed by the House of Commons, not by the prime minister; lobbying fees and meetings with ministers and officials should be divulged; tax deductions for lobbying fees should be eliminated; and—last but not least—the distinction between categories of lobbyists should also be eliminated".

This is an outline of the legitimate claims put forward by the Bloc Quebecois. For the main part, these claims also appeared in the red book, which fast became the black book to Canadians. Yet, all these undertakings did not last beyond the official opposition's coming to power.

Let us examine each of these points more closely. As regards the ethics counsellor of course we should remember that the opposition had acquiesced to the suggestion made by the prime minister concerning the incumbent. We contributed and supported that appointment. The problem with the ethics counsellor is that we would have wanted him, considering the importance of his position, to be directly accountable to Parliament. That is neither unreasonable nor unrealistic and it would not require the government to go against its principles. Things are done that way in many situations where you want to give added importance to a certain position and elevate the debate.

Take for example the Chief Electoral Officer who has to be appointed by the House on the basis of a large consensus. We should also recall that in most true parliaments ombudsmen are appointed by the very parliament to which they are accountable. Why does the government insist on making the ethics counsellor work in isolation? Why has the government not taken advantage of what could have been a genuinely democratic measure and could have reconciled us immediately with the government, although momentarily? Why did the government fail to take advantage of such an auspicious situation by making a true democratic gesture? We know the answer. In fact, Liberals are not prepared to do that much in matters of lobbyist registration. They are certainly not prepared to submit a firm policy concerning their influence.

• (1330)

We would have liked the ethics counsellor to be accountable to Parliament appointed for a seven–year term, with the possibility of being reappointed one more time. We would have liked—which is certainly not trivial nor asking too much—the ethics counsellor to have much broader enforcement powers than he now has. As a matter of fact, what is it that is posing a threat?

Let us take very recent examples of government activities, for example what happened to the minister of heritage. Despite being indisputably a noble–hearted man, we must recognize that he is certainly not the most clever minister in this government. Between the moment the Prime Minister suggested that his ethics counsellor be consulted and the moment he advised the House of this decision, three weeks had gone by.

Let us now consider, Mr. Speaker, what is presently happening in the Prime Minister's own circle. Of course, in the last two days, I have come to understand a lot better why the government is standing up for the family. Recently, I had the pleasure of tabling a motion, and I had a hard time understanding why the government was so stubborn. Now I understand that, when the Liberals talk about defending family values, they also mean the importance of defending the close ties between the Prime Minister and his family and friends.

On the whole, the member for Ottawa—Vanier will agree that this bill has no teeth and would have gained from being strengthened. In matters of disclosure for instance, the bill provides for a number of things. A lobbyist must state the role played in the development of legislative proposals, the influence used in the tabling of bills, the making or amending of regulations, the development or amendment of any federal program, the awarding of grants, etc. There are about seven such duties.

Why are lobbyists not required to reveal the special ties they may have with public servants, senior officials and ministers? The government has trivialized things to such a point that lobbyists have to declare the department they had dealings with. As if even the dullest of minds could not guess from the lobbyists' area of activity with which department they had dealings.

The government whip, who waged a hard battle in the past, is now, as the father of psychoanalysis would say, a polymorphous pervert, which means that he changes form with the debate. How is it that no minister, no member stood in the House to demand that lobbyists be required to disclose the names of public servants, senior officials and ministers that they meet?

Mr. Speaker, in political life, as you know very well since you are a wise man, there are some tests of truth. The Lobbyists Registration Act is such a test of truth and we would have wanted the government to be strong. We would have wanted the government, for once in this mandate, to not only be strong, but

to work hand in hand with the opposition parties, since this is not just anything. As a Parliament, as parliamentarians, we could have built a wonderful consensus which would have allowed us to send a clear message to the population, saying: "We, as parliamentarians, agree that public policies which are our prime concern may be developed openly and publicly".

• (1335)

In closing, I would like to say how I am disappointed in the emasculated bill that the government is proposing and how much better it would have been had the government been stronger.

It is still time for the government to rally to the arguments of the Bloc Quebecois.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, you will certainly agree with me that the hon. member for Hochelaga—Maisonneuve really understands the problem. This man has exceptional assessment skills. He made extremely fair comments on this debate and on certain qualities of the men and women in this House.

That said, what struck me in the hon. member's speech—and I think his speech is justified—is that he highlighted the differences between what government members said when they were in opposition and what is in Bill C–43 on lobbyists currently being considered at third reading. Moreover, the Liberals even tabled in this House the so–called Zed report, entitled "Rebuilding Trust".

Given what I hear from the Liberals, I think the title should be "Imposing Trust", because that is what the government is doing, forcing Canadians and Quebecers to trust this document. What they have said since taking office 18 months ago is quite different from what they used to say in opposition.

In closing, I would like to ask the hon. member a question, which he will surely be happy to answer. How can he explain, as seriously as possible, the Liberals' shift in policy? What is the most obvious explanation for this change of heart by, among others, the hon. member for Glengarry—Prescott—Russell, who, when he sat on the opposition side, used to tear his shirt over this, when there is no trace of these elements in Bill C–43? How can the hon. member for Hochelaga—Maisonneuve explain this extraordinary about–face, because the whole issue of government integrity is an extremely important and serious matter? How can the hon. member explain this?

Mr. Ménard: This is a difficult question, Mr. Speaker, but I will try to answer it to the best of my ability.

It should be pointed out first of all that the chief government whip is not easy to pin down. It is therefore difficult to explain his about–faces in any great detail. It seems to me, though, that the answer may lie halfway between human nature and what I would call corporate pressure.

Perhaps you have already given some thought to the fact that Quebec is a step ahead in this respect. It certainly is no small thing that, in a democracy like Quebec, legislation and standards governing public administration were quickly established to ensure that, to the greatest extent possible, conflicts of interests are avoided.

I keep saying that I am the son of a labourer. My father made a decent living but not a fortune. You do not have to come from a wealthy family to get into politics, as long as you have an idea to put across. We, in the Bloc Quebecois, for example, decided we would rather be funded through personal contributions.

• (1340)

For my part, when I ran and was elected to represent the people of Hochelaga—Maisonneuve, I ran on a $30,000 budget. This amount was made up of modest contributions by individuals who wanted me to become their member of Parliament. The difference between Bloc members and government members, who are under pressure from various sources, is that, when I rise in my place, I know that I do not have to account to a corporate constituency. I know that, whether I speak on drug patents, the recognition of same sex partners or the national AIDS strategy, I do so freely, without any constraints.

But to be able to speak absolutely freely, our election funds have to be clean and the system must ensure that the ties between corporate constituents and elected representatives are clear. The government party, which is made up of honest people for the most part, exposes itself to criticism because it relies on corporate financial backers who have interests and attempt to influence government decisions. That is why it is so difficult to remain honest and keep one's hands clean in politics without clear funding arrangements.

I think that party funding and lobbyists registration are issues that reflect our willingness as parliamentarians to maintain our independence of mind and action.

Let us face it, with respect to the party financing policy and the lobbyists registration system, the Liberals are a traditional party, that is to say a party subject to pressure from the corporate constituency of this country. Again, it is a shame that the Liberal Party did not continue to act the way it did in opposition.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, first I want to congratulate the hon. member for Hochelaga—Maisonneuve on his out–of–the–ordinary performance.

Some hon. members: Hear, hear.

Mr. Bernier (Mégantic—Compton—Stanstead): I expected the Liberal members to rise in recognition of the hon. member's incredible talent, and particularly because of the appropriateness of his comments. Our colleague provided a very eloquent answer to the question asked by the hon. member for Berthier—Montcalm as to why the Liberal Party, which makes up this government, is now proposing a bill which is not only meaningless, but which also contradicts the views expressed by the Liberals when they were in opposition.

The best possible example is that of the member for Glengarry—Prescott—Russell who, when in opposition, constantly denounced the Conservative government and fought tooth and nail to promote integrity. Now, he reminds us of St. Paul, who was struck and fell off his horse. Indeed, the member is now supporting a meaningless and toothless legislation, but one which will allow business to go on as usual. What took place in this House during the past week is very telling.

Every day this week, during oral question period, the official opposition and the Reform Party gave examples of shameless patronage which are in contradiction with the good intentions of the legislation before us.

• (1345)

I would like the hon. member for Hochelaga—Maisonneuve to comment on the two timing displayed by the Liberals, given what they were saying when they sat in opposition and what they are now doing.

The Acting Speaker (Mr. Kilger): The hon. member has one minute only to comment.

Mr. Ménard: Mr. Speaker, you know I always respect my time limit. I wanted first to point out that the hon. member for Mégantic—Compton—Stanstead looks as tanned as the Minister of Heritage, so he too might have been to Los Angeles.

Finally, this issue might say something about the Minister of Industry's importance in the cabinet. I think it also shows the real influence that minister has. If we were dealing with a minister with real power within the cabinet, surely the legislative results would have been different. But it is really not too late for the Liberals to pull themselves together, and let us hope that, in the coming hours and days, we will see one last instance of the confidence that can still drive this government.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I see my remarks will get a warm welcome on the other side. Earlier today, I listened to comments by members opposite. I listened intently like I always do. I really wonder if they are familiar with the bill before us or just with the person who prepared the notes they read, like good Bloc members who read the propaganda that is prepared either here, by their local branch, or by their jead office or even by somebody else.

I also hear some heckling, not to use another word, on the part of a Reform Party member. He would like to know if I will address all aspects of the bill. I fully intend to.

[*English*]

The hon. member of the Reform Party who is anxiously waiting for me to address particular parts of the bill will need to be reminded of the document of the Liberal Party known as "Creating Opportunity".

Mr. Milliken: The red book.

Mr. Boudria: As the parliamentary secretary to the government House leader and the excellent member for Kingston and the Islands has just said, it is called the red book. Yes, it is the red book.

What was promised by the Liberal Party in the red book is what we are delivering to the people of Canada as we continue on our very successful program of delivering on our commitments to the people of Canada. Through the excellent leadership of the Minister of Industry we are delivering on that commitment in this third reading debate on Bill C–43.

We promised as a party that we would restore integrity in government in a general sense. That is exactly what we have done with the leadership of the right hon. Prime Minister. We said that we would have stricter rules of conduct for lobbyists. I will get into those details in a minute. We also said that we would establish rules of conduct for members of Parliament and senators, and that item is on the Order Paper for debate on Monday. Immediately when we complete this facet of ethics in government we will deal with the next part, which is the code of conduct for MPs and senators.

• (1350)

I am anxiously waiting the support we will get toward bringing that resolution to a successful conclusion and to start our work in that regard. If members across the way do not adopt the motion to start that work, we will have to conclude they do not want rules of conduct and ethics to apply to them. We will see about that in a few days.

Mr. Milliken: We will see that on Monday.

Mr. Boudria: As the parliamentary secretary says because he is charge of such matters, we will see that on Monday.

In the red book we committed ourselves as a party to deal with the issue of lobbyists. Let us remember how we got the rules that presently exist for lobbyists. Prior to 1985 there were no rules for lobbyists. On September 9, 1985 after a number of questions were asked in the House—and if I do say so myself I asked a good number of them—the then prime minister decided to announce a series of measures. Two years later—

Mr. Sauvageau: The Conservatives?

Mr. Boudria: It was a Conservative Prime Minister.

Two years later when that same prime minister had not produced the rules, we prodded him and finally got a commitment from the government to establish a parliamentary committee. That was the Cooper committee.

I sat on that committee. I will claim some responsibility for some of the recommendations in its report. It was chaired by the member for Peace River. We arrived at a unanimous report. The then New Democratic Party member for Nickel Belt, several Conservative MPs and I under the chairmanship of the member for Peace River produced a report.

From that report the government produced a bill. That bill is the law in the country. It was referred to a parliamentary committee, the Cooper committee. We dealt with it, made some improvements to it and now it is the law of the land.

One of the clauses that came from the committee was the sunset clause of sorts on which there would be a review. The review was to improve on the bill. Pursuant to that we did the study under the able chairmanship of the member for Fundy—Royal. We now have before us a bill to amend the present act. That is how it all came about.

When five years of having the first law were completed or close to it the government, again at the request of the opposition, appointed a committee under the leadership of the member for Selkirk—Interlake, Felix Holtmann, who is in Ottawa; I saw him 10 or 15 minutes ago. He chaired the committee that produced a report I have before me today.

[*Translation*]

The Holtmann committee report was entitled "A Blueprint for Transparency: Review of the Lobbyists Registration Act". The Liberal Party used that report as the basis for its own red book.

An hon. member: That is not so.

[*English*]

Mr. Boudria: A member across the way says that it is not so, or he is questioning whether it is accurate. I will read to him the relevant sections of the red book at page 95:

> In particular, a Liberal government will appoint an independent Ethics Counsellor to advise both public officials and lobbyists in the day-to-day application of the Code of Conduct for Public Officials. The Ethics Counsellor will be appointed after consultation with the leaders of all parties in the House of Commons and will report directly to Parliament.

Are members opposite listening?

Mr. Milliken: Why bother consulting with them? They are not interested.

Mr. Boudria: As a matter of fact the Prime Minister consulted with the two opposition parties.

Mr. Milliken: And now they are complaining.

Mr. Boudria: Now they are complaining, as the hon. member so eloquently said. It continued:

> The Ethics Counsellor will be mandated to develop a corresponding code of conduct for lobbyists—

That is enshrined in the bill before us today.

> —and to examine and recommend responses to the ethical and business practice issues that arise from time to time in government relations. The Ethics Counsellor will be able to offer guidance to both the lobbyists and their clients and, if necessary, so that they can judge in advance the acceptability of any proposed contract or activity.
>
> A Liberal government will give the Ethics Counsellor the power to investigate complaints and review specific dealings between the government and lobbyist to ensure that the Code of Conduct is honoured. The Ethics Counsellor will be available to the Prime Minister to investigate allegations of impropriety by Cabinet ministers.

• (1355)

An hon. member: It is all there.

Mr. Boudria: It is all there. The part dealing with lobbyists is in the bill, if not more.

The red book went on to state that we would adopt the recommendations of the Holtmann committee and that is what we are doing.

[*Translation*]

So, let me quote from the Holtmann report on which was based the red book. Listen to what was said about the independence of the registrar. At the time, the title used was registrar instead of ethics counsellor. The title recommended by the Holtmann committee for this position was registrar.

On page 19, the Holtmann report says, and my colleagues may want to listen carefully and even write this down: "We listened with great interest to the arguments presented by these witnesses", meaning the witnesses who wanted the registrar to be placed under the authority of the House of Commons, but "heard no evidence that the Registrar has been hindered in the execution of her duties. Nevertheless, we are anxious that both the excellent performance and the public reputation of the Registrar be maintained. We feel that this can best be accomplished by giving the Registrar an increased measure of independence and additional authority to report on matters pertaining to the Act. Apart from the obvious benefit of reducing the possibility of political interference, this would allow the Registrar to comment on deficiencies and problems with the operation of the Act. Therefore, the committee recommends—listen to this—that the Registrar be appointed by the Governor

in Council—in other words by the Prime Minister and the cabinet, and get this—subject to the approval of a committee of Parliament''.

There you go. It is already provided for in the Standing Orders of the House of Commons. As you can see, the complaints and the lamentations that we heard earlier today from the members opposite—

Mr. Milliken: The moaning and groaning!

Mr. Boudria: The moaning and groaning, it is nothing but a show.

Some hon. members: Oh, oh!

Mr. Milliken: That is what it is.

Mr. Boudria: Absolutely. It is nothing but a show. The members opposite got what they asked for and, indeed, what had been promised to Canadians. As usual, the Liberal government is determined to keep its promise to the people of Canada.

Mr. Milliken: As always!

Mr. Boudria: As always, as the hon. member for Kingston and the Islands so rightly said. So we have not diluted our commitment in any way as alleged by the opposition critic, the member for Berthier—Montcalm. He said earlier today that we have lenient rules. Did you hear that, Mr. Speaker? The member has certainly not heard the Minister of Industry, who said in this House today that we have the strictest rules of all the countries in the world.

Some hon. members: In the world.

Mr. Boudria: Mr. Speaker, we will shortly be having a question and comments period, and I would invite the member for Berthier—Montcalm, in the preamble to the question he will no doubt ask, to tell us what other jurisdiction has stricter rules for lobbyists than are found in Bill C–43 before us. I invite him to list the countries for us. It will not take him long—there are none. I am familiar with the situation in the United States. There are absolutely none there. In the United States, only dealings between a lobbyist and a legislator are recorded. No record is kept for a member of the executive, or even for staff member or even for the highest government official in the country. Only in the case of a conversation or other communication with a legislator, not a member of the executive.

In the United States, there is no record either of lobbyists costs, unlike what we will have here in certain controversial cases, as the minister indicated so well. In the United States, only the honoraria of foreign lobbyists are recorded when they lobby in the United States and only when foreign interests are concerned.

• (1400)

I went to Washington with the committee, I saw what was being done there and I invite the members opposite to get their facts straight on this matter. I was, I humbly point out, the only parliamentarian to take part in the Cooper and Holtmann committes. The member opposite claims to have become an expert on the issue after spending some months on a parliamentary committee—and the Bloc Quebecois even switched its critic mid–way through. I do not question the hon. member's competence.

An hon. member: No, he is very competent.

Some hon. members: Hear, hear.

Mr. Boudria: But he must not lay claim to a monopoly on insight into this kind of thing, because I have been working on this matter for close to ten years now. I think I can safely claim to know at least as much as he does.

I know that the opposition is quite upset about the issue. They see that in a few minutes we may vote in a new law which will strengthen the great confidence that the Canadian population already has in its government. The Liberals have been working like they always have on this issue, and that is what we intend to continue doing, that is what we promised and that is what we, as the government, will indeed do.

A little earlier, I heard the hon. member for Berthier—Montcalm talk about what he called the Liberal government's flexible conscience. Now, this is from people who got themselves elected under the separatist banner, calling themselves moderate separatists during the election campaign. They called themselves strong separatists in separatist ridings, and moderate separatists in those that were not. But, once they got elected and came to Parliament, they all threw out those principles and became militant separatists. Now, all of a sudden, the leader of their party decides to champion a form of federalist separatism. Look closely at what the members opposite have done. Separation with Canadian passports, Canadian currency and a federal Parliament. That is what some members opposite start calling separatism when they see that their agenda is going nowhere.

So, we are now dealing with federalist separatists and separatist separatists across the way. But now, we must know whether the separatists—

Mr. Ménard: Mr. Speaker, allow me to invoke the rule of relevancy because we cannot see where the government whip's allegations are leading and what is the link with Bill C–43.

The Acting Speaker (Mr. Kilger): The rule of relevancy is very difficult to apply. It is extremely flexible. I listened carefully to all the speeches, on both sides of the House, and I believe that, to a large extent, the debate has been very relevant.

I would ask the member for Glengarry—Prescott—Russell to conclude his remarks.

Mr. Boudria: Mr. Speaker, I believe that the member for Berthier—Montcalm was quite right to talk about the flexibility of one's conscience; I suppose that he is quite angry at his

colleague from Hochelaga—Maisonneuve for claiming that to talk about such a topic, as his colleague did, was against the rules.

I believe that he is going to get an earful from his colleague after questions and comments. I agree with the member for Berthier—Montcalm in this matter. I am sure that he was right to raise this issue. In fact, this is why I am answering. Since he was not called to order by the Speaker when he raised the issue, it means that he was abiding by the rules.

Mr. Bellehumeur: This is too much!

Mr. Boudria: No. Members across are not in a position to be sanctimonious. This is certainly not the right time for them to vow political chastity. Just think of what was happening recently between the local branch here and the head office in Quebec. One wonders which brand of separation will be preached. Is it the federalist one of the local branch manager in Ottawa, that is the Leader of the Opposition, or the separatist one in Quebec? Which one will prevail in the debate?

• (1405)

It now seems the member for Lac–Saint–Jean is slightly ahead of his provincial colleague. We will see, in the near as well as distant future. In any case, whichever brand of separation, it will still be separation. It is like ice cream. The flavour might be slightly different, it is still ice cream. In this case, however, the product has soured and the public will not buy it.

In conclusion, I will repeat that we have here an excellent bill which was introduced by a minister who really did his homework and which was studied by an extremely competent parliamentary committee. That committee, through its majority members, delivered what we promised in the red book and went even further on some points.

I support their work entirely. I am convinced that this is a good bill. As the Minister of Industry indicated, it is a legislation which has the strictest national requirements in the world. Yes I must repeat it. It is not my fault if such are the facts. Nonetheless, it is still the truth.

[*English*]

I welcome questions from my colleagues across the way on this bill. I welcome in advance their support if they do want stricter rules for lobbyists. We will find out in very short order whether that is really what they want or if all they want to do is complain and not really do anything.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I am really disappointed to see the member for Glengarry—Prescott—Russell laughing about such an important issue as Bill C–43, an Act to amend the Lobbyists Registration Act, confusing everything and saying almost nothing about the bill itself.

The member talked about sovereignty, about all kinds of issues, about the leaders of the sovereignist forces in Quebec, about almost everything except for the real issue, the one concerning lobbyists. As for sovereignty, during the referendum period, in Quebec, the member will come and talk about the great policies of the stuffed beavers over there. He will come in Quebec and talk about that. However, today's debate is on Bill C–43.

Bill C–43 is a most important bill, and I find it strange that the member has nothing to say about it. I will ask him a few questions but first, I want to make a comment. He underestimated the work done by the committee. He said that the members claimed they alone knew the truth because they had heard witnesses during six months. That is not true, Mr. Speaker. I am not alone in knowing the truth. I only report to the House what I have heard during the hearings of the committee.

I report to the House what witnesses, taxpayers and voters said to the committee about what they would like to see in Bill C–43. I think that the member underestimates the work that has been done, and that is most regrettable.

There are two very important points in this bill. There are many others, but what is important is not what is in the bill. There are, in particular, a couple of points concerning the ethics code and the appointment of the ethics counsellor.

I will read two clauses to the member opposite who suggested that this bill is a model of openness and absolutely the best legislation of its type anywhere in the world, that they are the smartest, the most clever and the boldest in their proposal. Why, then, does the bill clearly state that the counsellor's investigations should remain secret, hidden behind the closed doors of the federal government? We are not allowed to know what is going on behind those closed doors. Why does the bill specify that the code of ethics is not a statutory instrument for the purposes of the statutory instruments act? Are they afraid that the public will initiate legal proceedings to have the code enforced?

• (1410)

Are they afraid of civil suits? How do you explain section 10.5 of the bill, which says that "the Ethics Counsellor shall prepare a report of the investigation, including the findings, conclusions and reasons for the Ethics Counsellor's conclusions"? We insist on having a reasoned report. The ethics counsellor would never tell us how he came to these conclusions.

It is the same with a judge's decision. It is by reading the decision that you know if the judge's findings are right or wrong. We will not have this information because the legislation is made especially for the friends of the government, those who contribute to the Liberal Party's election fund. They do not want us to know how the ethics counsellor came to his conclusions. They do not want us to know how the ethics counsellor really judges a minister, senior official or anyone else working for the

government machine. No, instead they introduce a bill that makes no sense.

I would say to the hon. member that he should have been embarrassed to speak today about Bill C–43. I would have been, knowing that I had signed the Holtmann report, which recommended taking measures that are 10 times stronger and more comprehensive than those in the bill before us.

He was a member of the Holtmann committee, he signed the report regarding the tier system for lobbyists and disclosure, and we are not even doing one–tenth of what the Holtmann report recommended. I would be embarrassed to flaunt that today. I would also be embarrassed to hold up a book, claiming that it is still red. Those small red books may all have come out of the same press, but not two are identical. At least in the version of the book they used during the election campaign they were committed to implementing the recommendations of the Holtmann report.

An hon. member: Promises, promises.

Mr. Bellehumeur: It was an election promise. Today, their other small red book called "Rebuilding Trust" has nothing to do with that and would have been better named "Breach of Trust". It does not even go one tenth of the way, and that is disgraceful. I would be embarrassed if I were him.

I would like him to explain to me why the contents of Bill C–43 do not jive with the Holtmann report. Let him explain, if he has the courage to and if he even knows, because he has hardly been to two or three meetings in the last six months. And today, he thinks he can teach me something. No, there is definitely something wrong with this picture.

Some hon. members: Hear, hear.

Mr. Boudria: Mr. Speaker, I certainly do not intend to apologize to the hon. member opposite for the fact that, since then, I became the government whip. During the period when discussions on the bill started and were finally concluded, I had the honour and the privilege—

Mr. Sauvageau: To abandon ship.

Mr. Boudria: I do not think that becoming the government whip of one's country means abdicating one's responsibilities, as the hon. member opposite inferred. If some day he manages to get this kind of job, perhaps he will understand. And if he does, I might remind him of what he said today.

Mr. Bellehumeur: I hope not.

An hon. member: The opposition will be in bad shape.

Mr. Boudria: It certainly will if it happens to be him.

The Holtmann committee submitted a good report. For instance, all those who had to register, it is all there in the Holtmann report. Disclosure of information as well. Today's proposals on administration, implementation and enforcement of the legislation are even stricter than what was recommended in the Holtmann report.

Look at what the report recommended, for instance, regarding the creation of a professional association and a code of ethics for lobbyists. It said lobbyists should immediately set up a professional association with a code of ethics. We go even further than that. The ethics counsellor himself will draw up a code of ethics on behalf of the lobbyists. We want it to be even stricter.

The person in charge, the public official, will do this himself, and I am referring to the person who will have this quasi–judicial role to play. He will have that authority. In this bill we have gone even further than the Holtmann report, which was already a good report.

• (1415)

We went farther than the current legislation. There were three stages. We started with the existing legislation, improved it with the Holtmann report, improved it in the red book, improved it further with the report entitled "Rebuilding Trust" and improved it again today with Bill C–43.

We had the benefit of the wisdom of the members opposite, because we even adopted some of their recommendations with regard to their amendments, which we voted on a few days ago. We were proud to do so, because this is what we want, and I hope this is what the hon. members opposite want as well. We want the most practical bill, nevertheless, the best possible, by reconciling everything that needs reconciling so that what we put forward is more than just fancy theories. We have a good bill and we will have the best, when the members opposite decide to let their colleagues vote so we can get on with this matter, which is important for lobbyists, the government and the people of Canada, who elected this government on its agenda, on its red book.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I will be very brief. I will simply say that I appreciate the work the hon. member did with respect to lobbyists during the time he was in opposition. He was a good, hard working member and he said a lot of wise things. I wish that his government had followed some of his advice.

I would like to refer to what I call the Liberals' red ink book of broken promises. At page 94 of the red book, under "The Public Trust", it says: "Nine years of Conservative government have brought our political process into disrepute. A Liberal government will restore public trust and confidence in government." Wonderful. Those are nice words. "We will regulate the activities of lobbyists by appointing an ethics counsellor". They have done it. Great. It continues: "We will reform the pension plan of members of Parliament". For everybody who was here before 1988 it is the same old trough. "We will give more power to individual MPs by providing more free votes and more authority for parliamentary committees". That is not happening. "And we will establish strict guidelines for merit in government

appointments". We have lists and lists of appointments on everything other than merit.

I would like to ask the hon. member to respond to this, because this is very serious. I believe that their commitment is honourable, but they are not following through. I would like the hon. member to explain it. He was involved in the reports in the past that made this recommendation. I am reading from page 95: "In particular, a Liberal government will appoint an independent ethics counsellor". He referred to that in his speech. I would ask him to describe how the present appointment mechanism established in Bill C–43 via the Prime Minister and the submission of reports via the registrar general to the House reflects an independence, which is so necessary.

It continues: "The ethics counsellor will be appointed after consultation". Great. But it says here explicitly: "—will report directly to Parliament". That is not happening. The hon. member needs to explain that.

The Liberal government says that it will implement the unanimous June 1993 report; that is the Holtmann report. I cannot give the House the details, but if I had the time I would list two specifics in the Holtmann report that were not implemented. The removal of the tiers was an explicit Holtmann report recommendation. That is not in this bill. The anti–avoidance schemes were specific in the Holtmann report, but not in here.

I would like the hon. member to respond as to why the government is not doing those things.

Mr. Boudria: Mr. Speaker, I have two points. First, I thank the hon. member for his questions. They were indeed very pertinent and I would like to respond to them. I know the hon. member has been very diligent in his work on this.

I would like to suggest a comparison. The Minister of Industry also has reporting to him, albeit nominally, because he works independently, the director of investigation and research. That person investigates what we formerly called the combines investigation and so on. Does anyone ever say that the person who does that judicial function, because he reports nominally to the minister, who then tables his report in the House, is somehow tainted by the fact that he reports to the minister? I do not think anyone has ever said that.

• (1420)

I do not know why anyone would say that a report delivered by the ethics counsellor to the minister in his capacity as registrar general, which is then tabled by the minister in the House, is somehow tainted. The member across will surely know that is not the case.

With regard to the tiers or the categories, I want to outline something for members across and indeed to all Canadians who might read *Hansard*. I cannot discuss watching TV; that would be inappropriate.

The federations of agriculture and other organizations came to testify before us. They told us that the governments consult them, and because the governments consult them, the new and stricter requirements that we will be imposing on the contract type of lobbyist should not apply to them, that it is in fact unfair to them.

If the member wants to say that we should give far more bureaucratic type of work to be done by the dairy commissions or the dairy councils, the federations of agriculture, the milk committees, and groups like that, let him say that, if he wants to impose those kinds of onerous requirements of the kind that we are placing on contract lobbyists.

An hon. member: He didn't even move those as amendments.

Mr. Boudria: No one even moved amendments to that effect.

Because we are making the requirements so strict for others, that is why those things in there cannot be applied to groups like the federation of agriculture in my riding, or the milk committee.

I will be meeting with the milk committee from Glengarry—Prescott—Russell next week, Mr. Speaker, and you are invited to attend the meeting. All three milk committees are uniting at St–Isidore–de–Prescott in my riding. I will be meeting with their executive next week. That is a lobbying activity. They have asked to see me in order to lobby me on a very important issue.

This is not a joke. The dairy producers in my riding, who feel these issues are very important to them and lobby their member, think this is pretty serious stuff. They do not want to have imposed on them the same kinds of requirements we would impose on a guy like Frank Moores. I do not even know if he is still working, but Mr. Moores, in the heyday of his Tory lobbying, would have had, under these rules, the same kind of requirement as l'Association des producteurs laitiers du comté de Russell.

[*Translation*]

I do not think I would put these groups on the same footing with regard to disclosure. If the members opposite think that is the right way, let them say so.

[*English*]

The Acting Speaker (Mr. Kilger): I hope and trust that I read the mood of the House correctly when I allowed the question and comment period to go a little bit longer than the period normally allows for. Following that, we have approximately five minutes left to this day. Do we in fact want to continue and allow the member for Skeena to take the floor, or are there other suggestions?

Mr. Epp: Mr. Speaker, I rise on a point of order. May I ask that you seek unanimous consent to simply continue the debate with the present member? I would appreciate that. I think it would be useful because of his experience and wisdom in this.

The Acting Speaker (Mr. Kilger): The House is the master of its own destiny. It is by unanimous consent, with the understanding that the day will end at 2.30 p.m.

[*Translation*]

The hon. member for Berthier—Montcalm has the floor on a point of order.

Mr. Bellehumeur: Mr. Speaker, if I understand correctly, the five minutes are in order to finish, only five minutes.

As for the rest, regarding the wisdom of the hon. member, I cannot say I quite agree, but that is another matter. However, as regards unanimous consent, you have it for five minutes.

The Acting Speaker (Mr. Kilger): If I have understood everyone, we will still adjourn at the time agreed upon, that is, at 2.30 p.m., but we will continue with a period of questions and comments for the member for Glengarry—Prescott—Russell.

[*English*]

Mr. Epp: Mr. Speaker, I really appreciate this.

The member indicated that there were no amendments to remove the tiers. I want to inform him that in fact one of our amendments at report stage dealt with exactly that issue, and it was turned down. That has happened here.

• (1425)

The member did not adequately explain how the independence of the ethics counsellor is achieved through the present system. When we compare it to the independence of the auditor general, there is quite a difference. Certainly in the perception of the people there is a large problem if the ethics counsellor is investigating an issue that deals with the registrar general. In that instance, the ethics counsellor would be doing an investigation and reporting to the very member he is investigating and then through him to the House. There is a perception of not having adequate independence. I want the hon. member's response to that. This is not adequate.

Mr. Boudria: First, Mr. Speaker, let us establish one thing. The nature of dealing with lobbyists is not in itself judicial. One might argue it is quasi–judicial. We do not start off with the premise that someone who is being investigated has committed a crime. This is not at the same level. The member would understand that first premise. I am sure he does.

We do not start off with the premise that anyone who is before the body in question has committed some sort of wrongdoing. In fact the ethnics counsellor will be producing the rules to govern these people, the code of conduct, providing advice to them. If a lobbyist is deciding whether or not a particular lobbying activity is ethical, he will be able to consult the ethics counsellor and so on. That is the first proposition.

The second proposition is that the member has said that I have not convinced him why someone who reports nominally through a minister for a report to be tabled in the House would be independent. I have to turn it right around on its head and say he has not proven that he is not. He has far from made that proof.

I gave the example of the director of investigation and research, who does work in regard to dealings in the corporate sector, and how if groups are guilty of collusion, price fixing, and so on, these people are investigated.

There are administrative tribunals involving international trade that report through a minister to the House. None of the pension tribunals report directly to the Speaker of Parliament. Does the veterans pensions appeal board report directly to the Speaker? Of course not. It reports through the minister to the House. Does anyone say that all these people are tainted, incompetent, and that their judgment is biased? I do not think so. What about all the other administrative tribunals? Does anyone make that allegation?

There is an interesting point. One minister has as his task to report the estimates of the CRTC in this House: the Minister of Canadian Heritage. Because that minister passed a complaint on, without even a recommendation, referred a letter from a constituent, that was brought on the floor of the House as saying that this body is quite independent, even though it reports to the minister. If that is true, that a person reporting through the minister had previously, according to the same people asking the questions today, always been independent, how is it that this job of being the administrator of these rules will never be independent? How can that be? Obviously it is wrong. Their judgment is incorrect.

I say that even though the person reports to a minister of the crown, the person is not a police officer or a judge of the Supreme Court. He administers rules of ethics. There are two facets to it: one involves lobbyists reporting through the minister to the House; the other one is reporting the conduct of ministers to the Prime Minister. The reason for that, of course, is we operate under the principle of responsible government.

With the indulgence of my colleagues, may I end with this comment? What if we had a system pertaining to the conduct of ministers where the Prime Minister was not responsible?

If the Prime Minister answered questions saying: "Do not ask me. There is an independent officer investigating this", what we would hear from the opposition was: "Prime Minister, you are the boss. You appointed these people. You are the one who is supposed to administer discipline". In other words, the opposition would turn it around. Its members would say quite correctly that we live under a system of responsible government and the buck has to stop with the person in charge.

Those are the two functions that person will have to administer, one closer to a judicial role and the other something where the ultimate responsibility has to lie with the Prime Minister. Those are the two functions that the person will have according to my understanding of the job. That is the important thing for us to remember.

I hope this legislation will be passed expeditiously and that we have better rules of conduct not for us in this bill—we will have those too, some other time—but a better code of conduct for lobbyists for the betterment of the whole country.

The Acting Speaker (Mr. Kilger): I want to thank everyone for their co–operation. It is most enjoyable to finish on a co–operative note at the end of the week.

It being 2.30 p.m., the House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24.

(The House adjourned at 2.31 p.m.)

HOUSE OF COMMONS

Monday, May 1, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

The Speaker: The hon. member for Ontario is not present to move the order as announced in today's Notice Paper. Accordingly, the motion will be dropped to the bottom of the order of precedence for Private Members' Business, pursuant to Standing Order 42(2).

SUSPENSION OF SITTING

Mr. Boudria: Mr. Speaker, I think you would find consent to suspend until noon, at which time the House could resume its business with Government Orders.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Mr. Silye: Mr. Speaker, is there unanimous consent for members present to stay and debate MP pensions for the hour normally otherwise set aside?

Some hon. members: No.

(The sitting of the House was suspended at 11.06 a.m.)

SITTING RESUMED

(The House resumed at 12 p.m.)

GOVERNMENT ORDERS

[*English*]

CODE OF CONDUCT

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved:

That a Special Joint Committee of the Senate and the House of Commons be appointed to develop a Code of Conduct to guide Senators and Members of the House of Commons in reconciling their official responsibilities with their personal interests, including their dealings with lobbyists;

That seven Members of the Senate and fourteen Members of the House of Commons be the Members of the Committee, and the Members of the Standing Committee on Procedure and House Affairs be appointed to act on behalf of the House as Members of the said Committee;

That changes in the membership, on the part of the House of Commons of the Committee be effective immediately after a notification signed by the member acting as the chief Whip of any recognized party has been filed with the clerk of the Committee;

That the Committee be directed to consult broadly and to review the approaches taken with respect to these issues in Canada and in other jurisdictions with comparable systems of government;

That the Committee have the power to sit during sittings and adjournments of the House;

That the Committee have the power to report from time to time to send for persons, papers and records, and to print such papers and evidence as may be ordered by the Committee;

That the Committee have the power to retain the services of expert, professional, technical and clerical staff;

That a quorum of the Committee be 11 Members whenever a vote, resolution or other decision is taken, so long, as both Houses are represented and that the Joint Chairpersons be authorized to hold meetings, to receive evidence and authorize the printing thereof, whenever six Members are present, so long as both Houses are represented;

That the Committee be empowered to appoint, from among its Members, such sub-committees as may be deemed advisable, and to delegate to such sub-committees, all or any of its power except the power to report to the Senate and House of Commons;

That the Committee be empowered to authorize television and radio broadcasting of any or all of its proceedings;

That the Committee make its final report no later than October 31, 1995;

That, notwithstanding usual practices, if the Senate is not sitting when the final report of the Committee is completed, the report may be deposited with the Clerk of the Senate and it shall thereupon be deemed to have been presented to that House; and

That a Message be sent to the Senate requesting that House to unite with this House for the above purpose, and to select, if the Senate deem advisable, Members to act on the proposed Special Joint Committee.

He said: Mr. Speaker, in presenting this motion the government is continuing to fulfil its commitment to strengthen public confidence in the institutions of government.

Earlier in this Parliament we revised and strengthened the conflict of interest code for public office holders and buttressed that new code through the appointment of an ethics counsellor for cabinet ministers and order in council appointees. We also proposed amendments to the Lobbyists Registration Act de-

signed to move the lobby industry out of the shadows and backrooms and into the light of public scrutiny.

[*Translation*]

Having done this, we will now concentrate on adopting a code of ethics for members of the House of Commons and senators. We hope that the process triggered by this motion will be based on consensus and co–operation, because this issue affects all parliamentarians in both the House of Commons and the Senate, whatever their political allegiance. That is why this government proposes that this important task be assigned to senators and members of the House of Commons rather than to the government itself. This is further evidence that the government really cares about strengthening the role and effectiveness of Parliament.

[*English*]

We look forward to the deliberations of the committee and we hope that in these deliberations all parties will work together toward preserving the integrity of Parliament. We all have a role to play, a responsibility for ensuring that Parliament, this most fundamental instrument of our democracy, remains an expression of the collective values of all Canadians and one in which they can justly take pride.

What Canadians have made clear is that they want parliamentarians to institute clear rules consistently applied governing their standards of behaviour.

[*Translation*]

The public's political expectations and values have undergone enormous changes over the years.

[*English*]

For example, in the 1950s there was little concern about conflicts between private business and public responsibilities of elected officials. I understand that at that time many ministers directly owned securities and shares of all kinds, without concern about things like blind trusts and so forth, and even held corporate directorships without causing any public concern. Today that would be out of the question.

Over the years the public has developed much higher expectations. As the art of governance has become more and more complex and intermediaries, advocates, and lobbyists of varying stripes have become increasingly present, successive federal, provincial, and even municipal governments have enacted increasingly rigorous measures to meet evolving public expectations about integrity.

Depending on their province of residence, Canadians have witnessed the development of everything from informal guidelines to formal codes of conduct for elected officials and other public office holders. They have seen the appointment of myriad ethics committees or commissioners with varying degrees of impartiality, independence, and powers of investigation. They have seen politicians subjected to new requirements for disclosure and divestiture. They have seen enacted numerous access to information regimes designed to provide the transparency required for citizens to better examine the activities of public officials.

While the emphasis of these measures has tended to focus primarily on rules of acceptable conduct for the executive, recent trends suggest a growing interest in extending the application of such measures to all public office holders, including those parliamentarians who are not ministers.

• (1205)

At our national level, here in the House of Commons alone, over the past eight years no fewer than four conflict of interest bills for members and senators were introduced and died on the Order Paper. That they met such a fate is instructive. It underlines just how difficult the task is of effectively reconciling the right of individual parliamentarians and their families to privacy and to private life with the public's right to expect the highest standards of conduct from those they elect. The balance will not be an easy one to achieve.

Today we are proposing that there be a special joint committee on a code of conduct for parliamentarians structured along the same lines as the highly successful special joint committees that reviewed Canada's foreign and defence policies. That is, we are proposing that fourteen members of the House of Commons and seven members of the Senate form this committee. In addition, we are proposing that the present members of the Standing Committee on Procedure and House Affairs be appointed to act on behalf of the House as members of the new special joint committee.

The special joint committee's task will be a challenging one: to propose a code of conduct to guide senators and members of the House of Commons in reconciling their official responsibilities with their personal interests, including their dealings with lobbyists. The special joint committee will be directed to consult broadly and to review the approaches taken with respect to these issues in Canada and in other jurisdictions with comparable systems of government.

I alluded earlier to the fate of the past four attempts to develop a code of conduct of this sort. Those bills did not die on the Order Paper because there was serious doubt of the need for such measures; they died because there were fundamental disagreements on the specific measures being proposed.

As parliamentarians, we all know how difficult public life can be. Ministers in particular already undergo a daily scrutiny that most Canadians would find unacceptable if it were applied to them. It is important that the new special joint committee be sensitive to this fact throughout its deliberations. I say this because if our democracy is to flourish we must all be concerned

about attracting the best people to public life. I believe that an effective code of conduct can and must take this into account.

For example, as public office holders all members of this House are potentially exposed to allegations that in carrying out their public responsibilities they could be improperly furthering their private interests. Not just ministers, but all parliamentarians must confront this in light of recent changes we have put forward to reinforce the role of both standing committees and private members.

As long as parliamentarians have private interests and have responsibilities to consider, review, or propose legislation that may eventually further those interests, this is a reality we have to face. That is why the challenges facing the new special joint committee promise to be daunting.

Consider the principle of transparency. Few could dispute that accountability without transparency is of dubious value. It is therefore scarcely surprising that disclosure has been one of the common threads running through each of the four previous attempts to define a code of conduct and that the disagreement over the scope of disclosure that would be required contributed to their foundering.

Are the disclosure provisions in the conflict of interest code for ministers, which the present government updated in June 1994, a good model for all members and senators, including those who are not ministers? There is a difference in responsibilities.

• (1210)

What differences should there be, as a result, in the rules? Just how rigorous should disclosure requirements be for members and senators who are not ministers? Should they apply to them alone? To their spouses as well? To their immediate family members? To whom should disclosures be made and when? At what point does disclosure become intrusive? In short, where should the balance be placed?

Similarly, a revised conflict of interest code for ministers specifies what ministers can and cannot hold by way of assets. It provides clear rules concerning divestiture, either through arm's length sales or by setting up blind trusts. There are also rules in place in cases where assets are not tradable, such as ownership of a private company.

Should some or all of these rules also apply to members and senators who are not ministers? Should these rules apply retroactively or should they be grandfathered? Again, where does the right balance lie?

All members would doubtless agree that principles, no matter how resounding or how inspiring, must be grounded in concrete requirements and must apply clearly to day to day activities if they are to be meaningful and effective.

If the committee eventually recommends a set of principles for parliamentarians regarding potential conflicts of interest that are similar to those in the conflict of interest code for ministers, then several questions would arise. Should the system be based on a self–assessment peer review or scrutinized by an independent third party? How far can or should power to investigate be extended? Should there be an ethics counsellor similar to the one established for ministers? How should this regime mesh with the Criminal Code and the Parliament of Canada Act? Should sanctions be included in a new code for parliamentarians? If so, who should be responsible for their enforcement? Indeed, what legal standing should those sanctions have, if any?

Ultimately, public accountability of elected officials is achieved through the electoral process, through elections. What happens to those who abuse the system or inflict damage to its credibility between elections? What of senators who are not subject to the discipline of the ballot box? How are they to be held accountable on an ongoing basis?

Yet again, the issue comes down to one of balance.

[*Translation*]

At the end of the day, the committee will have to assess the degree to which the public has the right to be informed about the private business of elected officials and appointed senators. These issues will not be easy to settle.

[*English*]

I say to all Canadians that by adopting this motion, members of the House of Commons will be signalling their determination to establish standards for ethical conduct for parliamentarians that are second to none, standards in which all Canadians can take pride.

Therefore, I ask the House to give early and full approval to this motion.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, the motion presented by the government House leader with respect to a code of conduct for Canadian parliamentarians is not something new in the history of parliamentary government, let alone democracy in the West. This government's proposal to appoint a special joint committee of the Senate and the House of Commons to develop a code of conduct is in keeping with the Liberals' habit of acting as if they had a clear conscience in front of the people while at the same time continuing to scheme behind their backs.

• (1215)

Before looking at what this Liberal code of conduct is really about, I would like to draw the attention of the House to specific points of the government motion presented by the government

House leader. This motion provides for a committee made up of eight members of the Senate and fourteen members of the House of Commons, as well as the members of the Standing Committee on Procedure and House Affairs. This is absurd, in my opinion.

We, Bloc members, suggest that the membership of this committee be reduced to three members of the Bloc Quebecois, two members of the Reform Party and seven Liberal members of Parliament. Twelve elected representatives should be plenty to examine the professional ethics of the members of this House.

Mr. Boudria: What about the senators?

Mr. Bélisle: I was getting to them, if the hon. member will let me continue. As for the senators, they are living proof of the fact that, historically, the Liberal and Conservative commitment to developing a code of conduct that would truly be enforced is really lip service. We suggest that senators not sit on this committee but set up a Senate committee to develop their own code of conduct.

Another concern is quorum. We object to a quorum which, as the notice of motion stands, does not ensure participation from the official opposition. This principle is not reflected in the wording of the government motion, which states that a quorum of the committee be 12 members. In our view, this wording needs to be changed.

Time and time again over the past 30 years, through all kinds of committee reports and bills that died on the Order Paper, one government after another tried to regulate the conduct of parliamentarians to prevent conflict between private interests and democratic duties. The conflict of interests issue is the most important aspect of parliamentary ethics. I will therefore focus on this aspect and show that there is no real political will behind this government motion.

In theory, the purpose of a code of conduct for elected representatives is of paramount importance. The public expects these people to be able, to the extent that it is possible, do as they please as concerns their economic interests. However, it also expects that, in the performance of their duties, public office holders will not become involved in business in which they have a personal economic interest. It goes without saying that conflict of interest rules must be based on the principles of impartiality and integrity.

Decision makers cannot be deemed impartial and honest if they personally profit, or can profit, from decisions. Most conflict of interest rules governing parliamentarians are incorporated in three acts of Parliament, namely: the Criminal Code, the Parliament of Canada Act and the Canada Elections Act. For example, the Parliament of Canada Act prohibits a parliamentarian from receiving any outside payment for services performed regarding any issue reviewed by the House, the Senate, or the committees of the House or of the Senate.

The same act also provides that a person cannot be elected to the House of Commons if this person has, directly or indirectly, a contract with the government which involves public money. The case of a parliamentarian who does not receive public money but is entitled to other benefits under a contract, is probably not covered by that provision, but this issue is far from being clear.

Moreover, if a parliamentarian is a shareholder of a corporation which was awarded a government contract, the ban only applies if the contract concerns the performance of public works. Consequently, a parliamentarian could invest in a corporation and thus avoid the ban. This, you will agree, is quite a loophole.

There is of course no obligation to divulge one's financial interests. However, Standing Order 21 of the House of Commons provides that no member is entitled to vote on any question in which he or she has a direct pecuniary interest, and the vote of any member so interested will be disallowed.

• (1220)

I am only reminding the House of these rules of conduct for Canadian parliamentarians because the events of the past few years, and in particular this government's conduct, have made people rather sceptical about the Liberal government's political will to set a code of ethics to make public affairs fully transparent.

The two parties which have been in power over the past 30 years have pussyfooted around this crucial issue and have lacked the political will to introduce a serious law strictly governing their own conduct as parliamentarians.

In 1973, the federal government published a green paper called "Members of Parliament and Conflict of Interest". A brief summary of what has transpired over the last 30 years is that the two parties which have held power, the Liberals and the Conservatives, have never really had the political will to set a code of ethics for the elected.

The document I just mentioned proposed consolidating and widening the scope out the rules already in effect. The House of Commons Standing Committee on Privileges and Elections and a Senate committee reviewed the green paper and made many recommendations. On June 10, 1975, the standing committee introduced its report on the green paper, which, in general, approved its contents and recommended a few changes.

Two years later, on June 26, 1978, Bill C–62, the Independence of Parliament Act, along with new Rules for the House and the Senate, was introduced in the House of Commons. This bill died on the Order Paper when the session ended on October 10, 1978.

However, on October 16, 1978, a slightly modified version of the same act was introduced as Bill C–6. The accompanying Rules for the House and the Senate were tabled in the House on October 30, 1978. The bill was referred to committee on March 8, 1979, but there was no ensuing action and the bill died on the Order Paper when Parliament was dissolved on March 26, 1979.

At the end of the Liberal's term of office, on July 7, 1983, a federal study group was set up to examine the principles and rules governing conflict of interest and their evolution and to decide whether the issue should be dealt with differently. The report did not appear until May 1984. It was entitled "Ethical Conduct in the Public Sector" and was known as the Starr–Sharp report.

With a new government, there were new political practices. On November 15, 1985, the Conservative government asked the Standing Committee on Management and Members' Services to consider the appropriateness of setting up a register of members' interests. As part of its work, the committee was to decide whether it was appropriate to disclose the remuneration members received for sitting on the boards of directors of public or private firms or for performing other duties or occupying other positions in various organizations.

After consulting the members of all parties, the committee concluded that there was no need to set up such a register and that existing legislation on members' conflicts of interest was sufficient. And the saga continues. In February 1988, Bill C–114, Members of the Senate and House of Commons Conflict of Interest Act, was given first reading.

In September 1988, the legislative committee on Bill C–114 met three times, but was unable to finish considering the bill before Parliament was dissolved, on October 1, 1988.

In November 1989, the scenario was repeated with the first reading of Bill C–46, Members of the Senate and House of Commons Conflict of Interest Act. This bill was essentially the same as Bill C–114, with a few minor changes.

This bill died on the Order Paper when Parliament was prorogued on May 12, 1991. November 1991 marked the first reading of Bill C–43, Members of the Senate and House of Commons Conflict of Interest Act. This bill was almost identical to the bills I have already mentioned: Bill C–114 and Bill C–46.

• (1225)

Incidentally, the bill was immediately referred to a Special Joint Committee of the Senate and the House of Commons.

In March 1993, first reading of Bill C–116, the Conflict of Interests of Public Office Holders Act, which included amendments to the Parliament of Canada Act. Finally, in June 1993, a report from the Special Joint Committee of the House of Commons and the Senate recommended that Bill C–116 be set aside. The same day, a similar report was tabled in the Senate. Bills C–43 and C–116 died on the Order Paper, upon dissolution of the 34th Parliament on September 8, 1993.

This whole process, illustrating how the issue of a code of ethics for Canadian parliamentarians has been dealt with, is a political masquerade. All to make the Liberals feel good about themselves and rationalize the federal view of democracy in Canada.

Throughout the election campaign in the fall of 1993, the Liberal Party of Canada maintained that ethics would be an important aspect of its mandate. In the Speech from the Throne in January 1994, the government said that integrity and public trust in the institutions of government were essential. It would therefore appoint an ethics counsellor who, it was hoped, would be a symbol of government integrity and a guarantee of public trust.

However, as far as the most important aspect of the code of ethics—conflict of interest—is concerned, the ethics counsellor appointed by the federal government continues to report to the Privy Council and has no independent powers of investigation. He continues to report to the Prime Minister himself.

The Liberal Party's red book pointed out, and I quote; "The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view".

Recent events have shown that the whole Liberal strategy of a code of ethics for parliamentarians, as confirmed in the government motion before the House today, is just another way to deceive the public.

For instance, the provisions of the Broadcasting Act, which is the responsibility of the Minister of Canadian Heritage, do not mean much when faced by the powerful lobby of Power DirecTv, headed by André Desmarais, the Prime Minister's son–in–law. The Liberal government has even stooped to defend concepts dear to the hearts of Mulroney Conservatives and is now singing the praises of competition on a North American scale.

Reading the orders from the Minister of Canadian Heritage, we get the impression that Power Corporation is calling the shots and we can kiss democracy goodbye, in a federal system where capital is still king. We should be concerned about the narrow view taken by our institutions and our political representatives in this case. The government not only ignored its own legislation and the CRTC, which is responsible for implementing that legislation, it also introduced retroactive measures that will prevent Expressvu from launching its service next September. And all this in the name of competition. Meanwhile, the red book's ethics counsellor is camping in the Prime Minister's waiting room.

And what about a recent trip to Los Angeles by this same minister of Canadian Heritage, to meet the leaders of the US film industry, at the very moment that the Seagram consortium was acquiring MCA. At issue is the fact that MCA had a Canadian subsidiary, Cineplex Odeon. Investment Canada, which reports to the Minister of Industry, will have to determine the nationality of Seagram. If this company turned out not to be Canadian, the Department of Canadian Heritage would then have to issue a notice of validity for the takeover. Obviously, the real reason the Minister of Canadian Heritage travelled to Los Angeles was to assure the Liberals' friends at Seagram that Ottawa would give favourable consideration to the deal.

While the Government House Leader is tabling a motion calling for the establishment of a special committee responsible for developing a code of conduct for parliamentarians, behind the scenes this very government is flouting the most basic rules of democracy by favouring the friends of the Liberal Party and governing on behalf of the financial establishment and those with big money in Canada.

• (1230)

Before closing, I would like to go over in this House some elements of the Bloc Quebecois's dissenting report on Bill C–43 to amend the Lobbyists Registration Act.

As I said, conflicts of interest and lobbyists' activities are the main issues to be addressed in developing a code of ethics governing the activities of parliamentarians in modern democracies.

Western democratic institutions are currently facing a public credibility gap, as you will agree. A good example is the percentage of people who voted in the last presidential election in the U.S. Clearly, it has now become necessary to restore the public's confidence in government. If this goal is to be achieved, public policies must be discussed, debated, amended and, above all, set openly and publicly. This concern is at the heart of the society we plan to build in Quebec. Among other things, we want to leave the federal political scene because it has been dominated for too long by the Liberals' political scheming.

As we have seen, once in office, this government considerably watered down the commitments it had made in its red book during the fall 1993 election campaign. This about–face has raised in the people's minds legitimate questions regarding the Liberal government's real desire to develop a code of ethics for parliamentarians. Given the gap between election promises and concrete legislative measures, we can only conclude that the final version of Bill C–43 was probably dictated by lobbyists.

The Bloc Quebecois feels that, to restore the integrity of our democratic institutions, we must first do away with the futile commitments of the last 30 years, which mislead voters. We must also ensure that the administration of government business is as open as possible, in order to eliminate grey areas and assure the people that policy decisions are consistent with the general interests of the population and not those of powerful lobby groups.

After only 17 months in office, this government already has a long record attesting to its lack of openness. In addition to the examples mentioned earlier and to the damning legislative record with respect to a parliamentary code of conduct, we will recall that, on September 26, 1994, Canadian Press reported that, according to documents obtained under the Access to Information Act, lobbyists had met repeatedly with government members in the months leading to the tabling of the current Bill C–43 and others had threatened to take their case to court if the legislation required them to disclose their political ties. That takes some doing, Mr. Speaker.

In that case, as in many others, lack of transparency made it impossible for the public to know the nature and extent of lobbyists' efforts regarding Bill C–43. Ironically, lobbyists have managed to influence the development of legislation designed to limit their influence. Let us face it, as it stands, Bill C–43 is of no use to prevent the kind of troubling events surrounding the privatization of Pearson Airport or the matter involving the heritage minister himself.

What is worse, according to Mitchell Sharp himself, the Prime Minister's senior counsellor on matters of ethics, even if Bill C–43 had been in force at the time the discussions concerning the privatization of terminals 1 and 2 at Pearson Airport took place, the public would not have been better informed. The majority report on Bill C–43 tabled by the government members on the committee is a timid attempt to regulate the activities of lobbyists and ensure transparency in the management of government.

Again, the government's attitude in this matter shows that what the Liberals say about ethics has no foundation. They are only trying to soothe their consciences and look good in front of the electorate.

The business of the letter in support of an application for a licence that the Minister of Canadian Heritage wrote to the CRTC, a supposedly independent agency under his authority, brought to light the flaws of Bill C–43 with respect to the role of the ethics counsellor himself. We will recall that the Prime Minister delayed seeking the counsellor's advice on this thorny matter for more than three weeks.

• (1235)

By waiting so long and consulting the ethics counsellor only at the last minute, after he had made his decision, the Prime

Minister showed his lack of consideration for the ethics counsellor. The head of the Liberal government simply wanted to add another adviser to his staff. The appointment of an ethics counsellor, following a commitment made by the Liberals during the election campaign, was only a ploy designed to give to the public the impression that the government was taking concrete measures to ensure the integrity of Canadian institutions. The Bloc Quebecois believes that the issues of ethics, transparency and public confidence in democratic institutions and management of government business are not the prerogative of a political party, a government or a Prime Minister but, rather, of democratic institutions as a whole.

This is why, in its dissenting report, the Bloc recommended that the ethics counsellor be appointed by Parliament for a period of seven years, during good behaviour.

The Pearson airport scandal, in Toronto, provided a clear example of the laxness of the current disclosure rules concerning the activities and dealings of lobbyists. In its report, the Bloc insisted that lobbyists must disclose the representations they make to federal officials regarding legislative proposals. The Bloc essentially recommended that all lobbyists be forced to disclose the contracts for which they try to influence the federal administration.

We tabled over 20 amendments in committee regarding Bill C–43. All were rejected by government members who, in several cases, were not present when testimonies were given, and who did not take part in the discussions in recent months. We were hoping that the new rules, or at least the direction and commitments of the Liberal Party of Canada, would ensure full dress debate of such a vital issue for a democracy. The motion tabled by the Liberal government to appoint a special joint committee of the Senate and the House of Commons to develop a code of conduct is just another measure following many others which never helped change political habits in this country.

The Liberals' intentions regarding the development of a code of conduct, which reflect those of the Seagram family and Power Corporation, are only intended to fool the public and give the government good political conscience.

In conclusion, I would like to table an amendment to the government's motion. I propose, seconded by the hon. member for Bellechasse:

That the motion be amended:

(a) by deleting, in the first paragraph, the words "Special Joint", "of the Senate" and "Senators and";

(b) by deleting, in the second paragraph, the words "seven Members of the Senate and";

(c) by replacing, in the eight paragraph,

(i) the figure "11" with the following: "8";

(ii) the words "Houses" with the following: "opposition parties";

(iii) the words "Joint Chairpersons" with the following: "Chairperson";

(d) by deleting, in the ninth paragraph, the words "Senate and";

(e) by deleting the twelfth paragraph;

(f) by deleting the thirteenth paragraph.

The Deputy Speaker: The Chair will take this amendment under advisement and rule accordingly later today. Resuming debate. The hon. member for Elk Island.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is a delight to be here this morning to address the motion before us. The question of ethics and conduct of members of Parliament and the Senate is a very important issue to Canadians.

I regret that almost immediately after I became a member of Parliament people began attributing to me characteristics I did not possess. Immediately they said because I was now in politics I must be such and such. They made all sorts of allegations and accusations which are not true. I like to think that having become a member of Parliament has not immediately blighted my character. The question of how we deal with perception of Canadians on ethical matters is of great importance.

• (1240)

I applaud the government for at least having the courage to begin the debate. I also have a fear that in this debate as in others we may have more smoke and mirrors, more symbolism than substance. We must have a mechanism which will satisfy the anxieties of Canadians when they feel their politicians are not behaving correctly.

The Order Paper indicated the committee producing this code of conduct is comprised of eight members of the Senate and fourteen members of the House of Commons. The solicitor general indicated there were to be seven members of the Senate. I presume seven is the correct number since that is what he said and the Order Paper must have been changed. Perhaps we could get clarification on that in the future. Whether there are seven or eight is irrelevant to my debate, and so I do not need that answer immediately. We will want to get that clarified.

In my previous profession I was a mathematics teacher in high school for four years and then at a technical institute for 27 years. Very early in my teaching career at high school some 30 years ago I had a debate with my students. The question was why should they respect me.

I still remember the essence of that debate. It helped me then to solidify a principle which I have kept all my life up to this point. I appealed to my students. I said let us start off with the premise that because of my position I am worthy of respect, instead of the one that I am not worthy of respect.

Then I said: "Let us not leave it there. As you get to know me better as I work as your teacher I hope I will be able to earn your respect. You will find I know my subject well, am able to communicate it and that I am fair in my marking". In all these different aspects of a teacher's life there would be a development of a respect which was earned.

With all due respect to the government's intention of having a joint committee to form a code of conduct the bottom line is, has been and will continue to be that those of us elected to public office will have to earn that respect. To a large degree that is an individual effort.

Some people, whether there is a code of conduct and/or a code of ethics which is greatly detailed, will not live up to it. They will lose the respect of the voters in their constituencies and probably throughout the country. Others, whether there is a code of conduct or a code of ethics or not, will generally behave in an honourable way. I like to think that will be the majority of us.

Allegations of dishonesty and others against politicians are the attribution I believe of the characteristics of very few to the greater number. In a way that is most regrettable, but it is an opportunity for us to take some action to correct the misperceptions and incorrect behaviour.

• (1245)

The purpose of the committee is to produce a code of conduct to guide senators and members of the House of Commons in reconciling their official responsibilities with their personal interests, including their dealings with lobbyists. The motion has come out of Bill C–43 to amend the Lobbyists Registration Act. These items are tied together.

I have a substantial question. How did it ever happen that we need to address this question? Most lobbyists do not waste too much time with members of Parliament; they go to the the loop of power. They will go to deputy ministers and cabinet ministers. They will try to influence the Prime Minister. They will probably try to influence anybody who has the power or the authority to make decisions.

We now have need for a code of conduct that will address the question of what kind of activity or what kind of dialogue is morally acceptable between a lobbyist and a person in a position of power.

Our democracy has gone awry. If these matters were working correctly we would have each member of Parliament faithfully and dutifully representing the wishes of his or her constituents. There would be open debate in this place and in committees. There would be freedom from coercion from the party. As a member of Parliament I would have freedom to express in both the debate and in the vote the wishes and aspirations of my constituents.

We have lobbyists who try to influence public policy, which is an aberration of the democratic process. I applaud the process. It is necessary given the way things work around here. It should be unnecessary because we would not even contemplate permitting special interest groups and lobby groups to be the sole determiners of public policy.

We also have the question of procurement, which is probably the larger one. The government is the largest doer of business in the country. To be successful in an enterprise often means being successful in gaining government contracts. In some instances individuals basically get set up for life because they were successful in that regard. To be able to get a government contract we have the scenario of lobbyists affecting the decision maker.

It seems there are two levels of lobbying. I may be wrong. I am relatively new here but I have done some study of it and I have kept my eyes and ears open. There are two levels on a continuum. At one end end of the spectrum we have totally legitimate representation of what a firm or company can do. We have its track record in producing what it contracted to produce and the quality of the product or the service. It is straight information gathering. If procurement in government were handled correctly, they would be part of the conditions of contracts when bids are let, and I believe they are. That information goes on the public record as part of the decision making in letting a contract.

• (1250)

Another kind of lobbying is the one we need to address. It has people, and rightly so, greatly upset. I am referring to the mechanism whereby the subtle pressure or influence is probably not deep enough to warrant a judicial investigation: "You are my friend" or a friend of a friend "and we would like to be given special consideration because of that".

I do not think it happens a great deal, but there are certainly a lot of suspicions about it happening too often when we consider the reaction of Canadians and talk about the issues with them. I cannot help but think of some specific instances in the area for which I am critic. It is very negative that allegations are even made.

We always get the message that the situation has been misunderstood, that we do not have the facts and that the allegations are false. We have not had it in the past and I regret that with the changes in Bill C–43 and with the motion we are not likely to have a mechanism with the authenticity to satisfy the questions Canadians have.

As I said in my speech on Bill C–43, we have two kinds of problems. One is where there are allegations of wrongdoing and the allegations are accurate. We need to have a mechanism to identify the allegations and bring the responsible people to accountability. I do not believe Bill C–43, the present Lobbyists

Registration Act or the motion and the possible outcome of the committee's work will actually answer that question. It should but I do not think it will. I ask the House to pardon my scepticism.

Then we have the other problem which is just as important. It has to do with the basic principles of law. I have had a lot of opportunity to discuss matters of government and related issues with students, especially with respect to the Young Offenders Act. We often get quite distinct overreactions to how harsh the law should be.

I had a discussion with some students not long ago. We came to the conclusion that the law had two functions in which it must be very accurate. It must accurately declare innocent the people who are truly innocent. It is not acceptable in our legal system to declare people guilty who are truly innocent. We must declare them innocent if they are. That is mostly done and is an aspect of the motion that I think is being missed. If an allegation is made that has no basis in fact, we do not have the mechanism to declare in a persuasive way that things are well. That is the missing element.

I have already mentioned the other part: if an allegation is made and there is guilt, the process of law, if it is court or this process here, should accurately declare guilty the guilty people. I am more concerned about allegations toward innocent people.

There have been cries from the government in the last several weeks on the issues we have brought forward. Allegations are being made and the government keeps saying there is nothing wrong and that nothing has gone bad. Can we believe that? We do not have an independent person, an independent ethics counsellor who can be trusted because he is at a reasonable distance from the government.

• (1255)

I would like to say something peripherally. Last weekend I was talking to some constituents back home. Their concerns have to do with much broader issues than even the points I have been making so far. The Solicitor General mentioned one of the concerns in his intervention. He wants to remove from people's perception that public office holders are able to use their offices for their own advantage.

With great concern several people in my constituency raised the issue of the MP pension plan. That is probably the greatest private interest exercised by members of the government. It is an instance where every one of them benefits from his or her position. They are in positions as members of Parliament to vote themselves an outrageously excessive pension plan compared to private industry. It is outrageously excessive compared to what is allowed in the Income Tax Act for private citizens. If that is not conflict of interest I do not know what is, but we have no mechanism to deal with it. That is a little aside from the main thrust of what I am speaking about today.

I have another concern with regard to the committee. It has a fair number of members. It is directed to consult broadly and review the approaches taken with respect to the issues in Canada and in other jurisdictions with comparable systems of government.

I am to be asked by my party to be one of the representatives on the committee. Frankly I have a bit of fear that for some 20 members plus staff this spells travel all over the world. The committee will probably want to go to Australia to see how it is done there. Maybe it will want to go to Singapore to see how it is done there. Maybe it will want to go to Thailand, England, Germany, France, Spain and Italy. It will go on and on; it will have to travel to a number of the states of the United States to investigate fully and consult broadly.

I am prejudging but it has happened so often that when a committee is struck its travel and expenses escalate right out of sight. I do not think Canadian taxpayers have the stomach to foot $20 million or $30 million for the study of something so self–evident that it should not be necessary. Here we are doing it and giving broad ranging rights or commitments to the committee that it have all these powers.

I urge the government at some stage before we are asked to vote to say that it will limit the expenditures of the committee to a stated figure. Why do committees not have a budget they have to live within? That is a missing element.

Other clerical points are stated. I would comment on them but I am running out of time. I want to state one more issue with respect to whom we will hear from. I am afraid the committee will listen primarily to us, that is we shall listen to ourselves. Once again we will have the fox proclaiming he did not eat the chicken. We need to ensure the witnesses at the committee present broad points of view and not just listen to MPs and senators who are primarily affected by the rules and the code to be produced.

• (1300)

We need to listen to Canadians. We need to listen to the taxpayers and wage earners. For example, this past weekend I talked to one young couple who are on UI. They have no reasonable hopes for a job. They are paying the bills. Those are the people we should be listening to on this matter, to see what expectations they have of public office holders.

It is mandatory that we have input from ordinary Canadians on issues such as this. They are continually left out of having influence on these decisions. They are not asked. They are given

no choice. They are told to pay the bills and are coerced to do it through taxation.

I strongly recommend that if the committee does its work and does it well and there could be an independent ethics counsellor to enforce it, then there would be some gains. This committee should do its work very thoroughly. Because of the lack of an independent ethics counsellor, the work of this committee is ever so much more important.

It is pivotal that this committee do good work to come up with a very clear, well defined code of conduct. I would like to see it get into some of the ethical matters as well. It helps to deteriorate the respect of government when members of Parliament and senators break laws which are part of the Criminal Code with increasing frequency. That issue is not being addressed. We need to address it in a very emphatic and strong way.

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, I too have a few words to say in support of the motion put forward by my friend and colleague, the government House leader and solicitor general. It is a very good government initiative. I want to respond ever so briefly to my two colleagues who just preceded me, the gentleman from Elk Island and the gentleman from La Prairie.

I heard my good friend the former high school teacher, as I am, talk about stereotyping politicians. I could not agree with him more. As an educator, like him I am sure, I had some standing in education before coming into politics. I found that the morning after, all the people who had previously sought my opinion on education matters had no interest at all in my opinion even on education matters.

There was a stereotyping, as he said. There was the suggestion that he had acquired some new characteristics simply because he had been labelled as an elected politician. I identify very much with what he said on that issue.

I say to him kindly that he should not fall into his own trap. He should not do what he, in the previous mouthful, condemned others of doing. I identify with him that the stereotyping is unfortunate. In his very next sentence he proceeded to say: "I hope this government does not do what all the other governments have done".

I ask him to allow the same suspension of judgment on this issue that he asked people to accord him as a newly elected politician. This is a newly elected government. It was elected the same day he was elected. I think he understands exactly what I am saying.

I identify also with the comment he made about no code. A code cannot be written tightly enough or properly enough to address the situation in its fullness. Finally one comes back to the respect that people must earn. I would like to elaborate on that a little later.

• (1305)

[*Translation*]

Mr. Speaker, the hon. member for La Prairie expressed some concerns about the quorum of the special joint committee. I am sure the hon. member knows perfectly well that what he is suggesting does not even exist in the case of the House, and for good reason.

[*English*]

My friend from La Prairie suggested that the proposed committee ought to have the provision that the opposition would have to be present for a quorum to be in effect. He should think about that for a moment. I am sure he means well, but he should really think about it. He is asking that the committee have an authority that no other committee of the House has, nor does the Chamber, and for very good reason. Just think about it for a moment.

Let us apply it to the Chamber. If the Chamber had the requirement that we could do not do business unless there was a member of the opposition present, we would then give to the opposition, the minority in normal times, the right to boycott business. Therefore, it could prevent business from taking place.

The framers of the provisions that make this place function, and in Westminister and elsewhere, wisely saw the trap of that kind of proposal. That is why in the Chamber technically we can do business with only the government party present, provided there is a sufficient number of people in the House, that a quorum is present. That is the way it ought to be. Technically that is the way it can happen, but it very rarely happens that way.

As my friend from Elk Island is anticipating by his comment a moment ago, committees are the masters of their own rules. There is nothing in this resolution before us now to prevent the committee from setting out certain ground rules as to how it operates, who shall be present for taking of evidence, what members should be present for making decisions and so on. In that context, the committee itself can address the issue my friend from La Prairie has raised.

Let me appeal to members of the House to first demolish the very prevalent myth that what is seen on the television news every evening and what is heard on the radio news every day is typical of what happens in this House. That is a very big myth.

I will put it into terms for the people who do not sit here. Imagine for a moment that you had a camera on you for every hour of your eight or ten hour working day in your own life as a housewife, carpenter or teacher. Suppose you had a camera on you for every moment of the day. Would you be deadly serious for all of those eight hours? Would there be times when you would be less committed to your immediate objectives than at

other times during the day? Would there not be times when you might show a little fatigue or a little annoyance if you had a camera on you every minute of your working day? That is the way it is in the Chamber.

• (1310)

Couple that fact with another. Members of the news media are not paid to report the mundane. Something they see here may be quite effective and quite productive, but if in their characterization it is mundane or run of the mill and ordinary, they are not going to report it.

What makes the evening news is the atypical, the stuff that does not represent the cross section of what goes on here. What goes on here to the outsider is by and large fairly boring, I have to admit. It is fairly mundane. If they were to report that as a matter of course, the news media may well lose their positions in the ratings. I understand why certain things are reported on the evening news. I understand that well and I do not debate it. Do not be hoodwinked by the myth that what is seen on the evening news is representative of what goes on here. Anyone who sits here knows it is not representative.

Let us deal with the myth that histrionics and theatrics are somehow evil tools in the conduct of public business. Mr. Speaker, you and I in our family situations, in our social situations, in our church situations use theatrics and histrionics. It is part of our stock and trade. How mundane would life be if we felt the need to speak in unmodulated monotones all the time?

The idea that somehow to make a point here we should not get the fellow's attention first is an idea that runs contrary to the way we operate when we go into the salesroom to buy a car, to make a purchase or to deal with our neighbour about where his fence should not be. It is part of our nature to use histrionics. Do not ask me to shake off my basic nature when I come in here.

The 90,000 people in Burin—St. George's who elected me elected me for a number of reasons. I say me. We can extrapolate that and say any member in the Chamber. I assume they elected me because of what I am and who I am, warts and all. Maybe they saw some assets in some of the warts in terms of their capacity to be represented, for me to be their voice here. They did not tell me to become a robot, a voting machine. They told me: "Go up and show them some of your guts. Tell them what you feel about rural Newfoundland". That is called theatrics. That is called expressing it from the gut. Take that out of Parliament and we can write all the codes of conduct we want but we will not have a very effective Parliament.

Accountability is central to the functioning of this place. Accountability to the people of Canada. I will fill in the blanks for the member for Elk Island if he is not sure of what I am saying.

Mr. Epp: Why?

Mr. Simmons: I say in fairness to my good friend from Elk Island that we can do this one of two ways: question and answer, or the way I did with him which was to listen to what he had to say. If he has some questions, there is a 10–minute period after and he can ask me all the questions he wants to ask. I do not mind the other way because I like the thrust of spontaneous debate. I have a certain train of thought going and I would like to keep it going for at least one minute. My attention span is not very long. It gets even shorter when I get intelligent fellows like the member for Elk for Island picking on me.

• (1315)

Accountability to the people of Canada is central to the functioning of Parliament. If the histrionics and theatrics are removed, we lessen the chance of accountability. Any prime minister or minister, of whatever party stripe, can craft a good neat answer that will cover his or her rear end if there is time to do it. But use the element of surprise, use some theatrics and histrionics during question period and we will get the unvarnished truth sometimes. That is why we have question period, so we can have some of that unvarnished, unrehearsed accountability.

Members may ask what this has to do with the motion that there be a committee to look at a code of conduct. It has everything to do with it. I have a particular fear about this committee. I support the motion wholeheartedly. It is a good idea, but I fear that when the committee sits down to do its work, it might get over–anxious about its mandate or misinterpret its mandate or go beyond its mandate altogether.

The committee should keep in mind it is not dealing with a bunch of angels here, nor should it be. It is dealing with people who represent a cross section of Canada. Canadians for all their goodness by and large are not angels. Do not try to write a code of conduct that would do credit to the angels.

As my friend from Elk Island said, using other words a little earlier, the ultimate functioning of this place is predicated, as it ought to be, on the integrity of those elected to serve here. Those who abuse the trust given to them by the electorate will be dealt with not by any committee, not by any code of conduct. They will be dealt with by the electorate as they ought to be.

At the same time the proposed code of conduct is needed and must have teeth. I do not want a lot of flowery expressions, however laudable, from this committee about what I ought to be doing here. I have a fairly good idea of what I ought to be doing here. I would rather have some provisions that would help me to ensure that I do the right things and if I stray from the narrow path, will discipline me for doing so.

The practice of parliamentary immunity is one that we need. We want to allow freedom of expression in the Chamber. I want to be able to say everything I need to say on behalf of the people who sent me here without fear of being dragged into a court of law. That is why we have parliamentary immunity. The flip side

of the coin is that the irresponsible person can use parliamentary immunity as a shield for irresponsible behaviour. It has been done.

• (1320)

In the context of this proposed code of conduct here is what I suggest. This is just by way of example. I suggest that the code include a provision that if a member stands in his or her place and makes an allegation which is subsequently established to be unfounded, that the member be disciplined, with the caveat that if the person did it unwittingly and it could be demonstrated that he or she did it unwittingly, then it is a different issue.

There are many examples. I have seen in the Chamber, and in the other chamber in which I had the privilege of sitting in Newfoundland, members rise to espouse positions, to make allegations and to enter into character assassinations and smear jobs using information which they knew to be blatantly false. They had it both ways. They said it in the chamber and, therefore, they could not be taken into a court of law to prove the allegation. It would be reported by a press person in the gallery what was alleged and the damage was done.

Therefore, I appeal to the committee to ensure that whatever code of conduct it crafts it be one that has some teeth in its enforcement.

I have had much pleasure in supporting the motion, not as my hon. friend from Elk Island implied because I have been told to, but because I have great faith and a great belief that it is the way to go.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I really enjoyed the intervention of the hon. member for Burin—St. George's, as I always do. He speaks with eloquence and with humour, which is a very good mixture.

He talked about how often allegations are made which are unfounded. That is the point we are failing to address. When someone in the government is accused of something, rightly or wrongly, it is the mechanism of government that comes to his or her defence. We must have the independence of the auditor general in the body of the ethics counsellor so that he or she is seen to be totally independent of any influence and can put the right spin on the investigation. That is the missing link. I believe that is the Achilles' heel of Bill C–43 and this motion.

I ask the hon. member to expand on his remarks on accountability to the Canadian people. I know what he will say, so I will anticipate that and ask the second question.

He will probably say that every time there is an election the people of his constituency and every constituency across the country have the right to turf out their MP in favour of another MP, another party or whatever. That is the usual stock answer we receive. How does the Canadian voter ever get to vote on issues which were not a part of the election campaign? They have no input.

I observe there is a great deal of party discipline. People vote not the way their constituents tell them to vote but the way they are told to vote. It is obvious to me and I wonder whether it is not also obvious to the hon. member.

Mr. Simmons: Mr. Speaker, I thank my hon. friend from Elk Island.

Without instructing the committee on what it should do, I am hoping that it will look very hard at the idea of an independent ethics counsellor. It should be an ethics counsellor separate from the one that advises the government. In my view they are two distinct entities. A person trying to do both would be in a conflict of interest. I would like to see an independent ethics counsellor under the aegis of the mandate of this committee.

• (1325)

The member is in danger of getting into circular arguments about consulting the electorate. I consulted the electorate in October 1993 when I was elected. It just so happened we did not have in front of us the 1,017 items we are going to deal with. Therefore I could not ask them to vote 1,017 times for this and against this. I am glad we did not because that is not the way Parliament operates.

They did not elect me to come to Ottawa to vote for or against gun control or anything else. They elected me on the basis of my being able to use my best judgment and being accessible to them to ensure that my judgment is influenced by what they think on particular issues. That means I have to be accessible.

I was in my riding in Newfoundland this past weekend, the weekend before and I will be there four days from now. I cannot do any more unless I spend all my time there and no time here. I have to speak for me only. I am very accessible to the people I represent. I know their points of view and I believe I relay them faithfully.

If we carry this idea to the extreme we will not need members, we will just need 27 million buttons where everybody pushes a button next to where they operate the electric can opener or microwave. It will be a parliamentary button saying how they will vote. Today they will vote on taxes, tomorrow on paved

roads and the next day on something else. It might be a workable system in some ways but the system we have is also workable. I advocate continuing with the one we have rather than the push button next to the microwave.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I listened with a great deal of interest to what the hon. member for Burin—St. George's had to say. Nevertheless, I want him to know that when I decided to go into politics at the federal level, I faced even more resistance from members of my immediate family, especially my eldest son, when he came home with a copy of the *Journal de Montréal* that contained certain polling results.

People were asked to rate various professions according to the degree of confidence they had in these professions. Unfortunately for me and for all here present, we ranked 27 out of 28, just ahead of used–car dealers. So my son told me: "Dad, if you go into politics, if you are ever elected, I am afraid you will become a—", and I will let you fill in the word my 22–year old son used.

If I am not mistaken, the hon. member for Burin—St. George's voted against the motion moved by the hon. member for Richelieu—if I am wrong, I am sure he will say so—since the major problem for politicians is money. Remember what happened to Pearson airport in Toronto. The Bloc Quebecois forced a major debate on the issue in this House, and it is not over yet. The matter is still before the Senate.

So wherever money is concerned, people often tend to cheat. The Bloc Quebecois, through the hon. member for Richelieu, presented a motion in the House proposing that, like the system in the Quebec legislature, party fundraising would be a very democratic process, in which only individual voters would be able to donate funds to political parties. So "Power steering" Seagram and the banks would not be able to donate a single penny to political parties. And making fun of this very common sense approach suggested by the hon. member for Richelieu, a Liberal backbencher moved that no voter be allowed to donate more than one dollar, and government members voted in favour of that.

• (1330)

When the hon. member for Burin—St. George's said parliamentary immunity should be maintained and that his constituents voted for him because of his qualifications—he had some faults but they were negligible—he never mentioned the need for above–board fundraising. I think it is nice to visit our constituents and ask them for financial support so that we can continue our work. And then when they put a hand on our shoulder and say: "Chrétien, you are doing a good job, keep up the good work and here is $25", that is encouraging. I would rather get $25 from one of my constituents than $25,000 from the Royal Bank of Canada, which would make me totally dependent on the bank.

In this House I am a free man, and when I feel like criticizing, I go right ahead and do it.

So I would ask the hon. member for Burin—St. George's what he would suggest in the way of no strings attached fundraising to his colleagues in caucus. You know, when a party is in power, it may develop some very good ideas, as the Parti Quebecois did, but often they are put on the backburner.

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, I can identify with the comments of my colleague for Frontenac about the survey on the level of people's trust in politicians. At the same time, however, I believe that the impressions were created by the politicians themselves. This morning, in the House, for example, we heard comments and allegations about politicians' reputations.

[*English*]

If we as politicians spend all our time telling the public what a terrible bunch of people we are, we should not be surprised if they begin believing us. We can only change that by example.

In my last election campaign the largest contribution I received from anybody was $1,000. I have refused large amounts of money over the years for leadership campaigns. I refused a $15,000 contribution on one occasion for a leadership campaign, and that refusal I have documented if members would like to see it.

I believe, as the member does, that if persons and companies give you large sums of money it is not because they like you, it is because they would like to rent you. I do not think we should be in that business.

[*Translation*]

The Deputy Speaker: Before we go on, I must inform the House that the motion of the hon. member for La Prairie is admissible.

We will therefore now continue the debate on the amendment to the motion with the hon. member for Chicoutimi.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I thank you for having allowed the motion of my colleague for La Prairie. The Bloc Quebecois will support the motion.

For as long as the members opposite have been in power, Canadians and Quebecers alike have helplessly watched as political scandals teeming with conflicts of interest have unfolded with every passing week and month right before our eyes, without the government, currently sitting on its majority, revealing any pangs of conscience.

By stating on the weekend in Trois–Rivières that he had succeeded in restoring honesty and integrity in Ottawa, after only 18 months in power, the Prime Minister simply added fuel to the fire. Did he not have to defend his own actions last week? Did he not come to the defence of his Minister of Canadian Heritage, who, for the second time in recent months, found himself in a conflict of interest situation by attending a dinner given by an American film giant? Integrity and honesty here border on scandal.

● (1335)

I would like, if I may, to refer to the red book, which the Liberals were forever brandishing about during the last election campaign. I note in passing, however, that we hear less and less about it, since the government is unable to deliver the goods, that is, jobs. This government deserves its title of government of unemployment and poverty. The red book refers to integrity in chapter 6, on page 90, in the following terms:

> The most important asset of government is the confidence it enjoys of the citizens to whom it is accountable. If government is to play a positive role in society, as it must, honesty and integrity in our political institutions must be restored—

A little further on, at page 91, we have the following:

> If government is to play a positive role in society, as it must, honesty and integrity in our political institutions must be restored.

Once again, this is wishful thinking, but it is no longer enough these days.

Let us be realistic about these things. Conflicts of interest are not new, they have always been with us. However, in recent years, such conflicts involving those in public office have caused a lot of concern in the public. Not surprising, then, that the public gives politicians the lowest approval rating.

Clearly, even the slightest hint of a conflict of interest causes the public to lose confidence in the integrity of public office holders. Need I even mention the cavalier and scandalous behaviour of certain ministers and of those working closest with them, most often relatives, which has made the need for this code of conduct greater now than ever before.

The code of conduct we are demanding would distinguish between MPs, Cabinet members and their staffs. The Bloc Quebecois is against creating a joint committee of senators and MPs. In our opinion, only the elected should be able to deliberate on this issue. Members of the other place do not represent the population and, hence, cannot take part in decisions which are the sole responsibility of those who must answer to the electorate. Furthermore, their reputation has been more than tainted recently, by their own actions, behaviour, words and the high–budget foreign trips which some members of the other place have taken. I will not name any names. And, in reality, the issue that interests us is ethics in Parliament, so, let us directly address it.

According to Mr. Justice Parker, who presided over the inquiry into the alleged conflict of interest in the case of the hon. Sinclair Stevens a few years ago, there are several kinds of conflicts of interest. For example, a real conflict of interest occurs when a minister is aware that a personal financial interest is great enough to influence the exercise of his or her official functions and responsibilities. This definition should be noted.

In addition, according to Mr. Justice Parker, a potential conflict of interest always exists when a minister ends up in a situation in which a personal financial interest could influence the exercise of official functions and responsibilities which were not yet exercised. A potential conflict of interest becomes a real conflict when the minister does not dispose of the holdings in question or does not resign from public office. These are the issues which the committee should be examining.

Mr. Justice Parker also stated that an apparent conflict of interest occurs when a reasonably well informed person has a reasonable doubt that a conflict of interest exists. This happens almost daily in this House.

● (1340)

Impartiality and integrity underlie any conflict of interest rules. Decision–makers cannot be regarded as impartial and upright if they benefit or might benefit personally from their decisions. The members opposite have learned this the hard way.

Government's actions over the past 18 months have seriously shaken public confidence in government institutions. We need a code of conduct to restore public confidence and improve the government's image, especially as certain types of conflict of interest are unavoidable. This is the case of inherent conflicts of interest, which are due to the fact that parliamentarians are also members of society, and as such are either landlords, parents or consumers.

Also, there are unavoidable sources of conflict because parliamentarians represent constituents with whom they share common private interests, be it farming, fishing or natural resources development.

Family business raise a particular issue as this category generally covers a whole array of assets, debts and financial interests. It is usually at such interests that the conflict of interest legislation is aimed as they may have a significant impact on the independence of lawmakers.

The most common interests that may put lawmakers in a conflict of interest situation are the following. First of all, investments; then, debts which can be a source of conflict; also,

as managers, they must act in the best interests of their companies, whereas, as members of Parliament, they have an obligation to the public; offices held in companies may be a source of conflict.

Another potential source of conflict is other positions or professional activities. Let me give you a definition. To what extent should parliamentarians be allowed to practise law, act as consultants or hold any other kind of position? A lawmaker might attract more clients if they believed the lawmaker could increase their influence on the federal government.

There is also lobbying. It is absolutely normal for legislators to deal with government officials on behalf of their constituents, but what about MPs who take advantage of their positions to promote their own interests, or one who is paid to act for a third party? Conflicts of interest can also arise, in the case of government contracts. To what extent should members of Parliament have the right to own shares in companies that get government contracts?

Gifts and fees are another element. Should a member of Parliament be authorized to accept free trips, vacations and other gifts from acquaintances or foreign governments? Can fees be considered as gifts in disguise?

Information obtained in the performance of one's official duties can also cause conflicts of interest. Must we implement control measures to prevent legislators from using such information for personal purposes?

Finally, what about spouses and children? To what extent should the interests mentioned earlier be controlled if they belong to relatives of a member of Parliament? This is no small issue. MPs could be influenced just as much by interests owned by their families as by their own. Out of politeness, I will not insist on that point; it would simply be too easy to do so.

As you know, all of us here are governed by statutory and parliamentary rules. However, there are some contradictions in the legislation. It prevents some public office holders from being candidates but does not prevent members of Parliament from accepting those same offices once they have been elected.

• (1345)

Another example comes from the fact that the Parliament of Canada Act states that a person cannot be elected to the House of Commons if he or she holds a government contract providing for the expenditure of public moneys. However if a member of Parliament does not receive public money, but benefits otherwise from such a contract, he probably will not fall under this provision, but that is far from being clear, and this is the part that hurts the most. That is far from being clear.

Finally, a parliamentarian who is a shareholder in any company having a contract with the government is covered by this provision only when the contract is for the building of public works, which seems to allow the parliamentarian to invest in a company and thus avoid this requirement, which, you will agree, constitutes a huge loophole.

In 1973, the federal government released a green book entitled: "Members of Parliament and conflict of interest". In 1978, once again, the government moved the bill on the independence of Parliament, which would have expanded the measures proposed in the green book. In 1979, after its second reading, the bill died on the Order Paper. In November 1985, the House Standing Committee on Management and Members' Services was to examine the appropriateness of establishing a register of members' interests. Four bills aimed at governing federal legislator conflicts of interest were tabled during the 33th and 34th Parliaments.

In 1991, it went on. The government tabled its third bill on conflicts of interest, Bill C–43. In 1992, the Special Joint Committee on Conflict of Interest tabled its report. The committee members' views differed in many respects from the policies reflected in Bill C–43. In March 1993, the government tabled its fourth bill on the same subject, Bill C–116, and again, in June 1993, the Speaker of the House of Commons reported to the House, recommending that Bill C–116 be put aside. And in 1993, once again, the Liberal government stated that ethics was a significant part of its mandate. It still has not done anything.

This is of great importance since we know that in the last 20 years, millions of dollars were spent on consideration of these bills, on the establishment of parliamentary commissions or joint committees on conflicts of interest, or on the development of ethics codes for members of Parliament. Yes, millions and millions of dollars were taken from the pockets of taxpayers from Canada and Quebec. This has to stop. I want action on this, once and for all. We must stop fooling the people and act on the problem.

Government leaders must do everything they can to change the public's perception of parliamentarians. They must stop all this protecting each other, stop trying to dazzle us with all this fancy footwork to cover things up, and simply be ready to admit that some government member is in conflict of interest. It is often said, and rightly so, that it is up to leaders to set a good example. That is why I support the amendment of my colleague for La Prairie.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I found the remarks we just heard from the hon. member opposite very disappointing. He has made assertions without giving any proof, and he has stated things that, to remain within the bounds of courtesy and parliamentary language, I would describe as rather far removed from the truth.

• (1350)

An hon. member said that bills introduced in the House have cost millions of dollars in tax money. Taking a bill and printing it in a subsequent session under a new number—one does not need to be a great expert in parliamentary procedure to realize that it is easy to renumber a bill and reintroduce it—may be an indication of some weakness on the part of the previous

government. I would not deny that, because we all know the former government was not convinced of the need for such a bill.

Some members opposite have been Conservative members and supporters of a former prime minister. Some of them even sat on the executive of a former prime minister's riding association. They must be offended by those remarks about their former boss and mentor, Brian Mulroney.

Mr. Sauvageau: He was not a liar.

Mr. Boudria: I did not say that.

We have before us today a very good bill introduced by the present government to fulfil another promise in the red book. It will be one of the many achievements flowing from the red book. Last Friday, the House discussed Bill C–43 on lobbyists registration. Unfortunately, that debate was not completed. That is another commitment of the Liberal government, among many others. Today, we keep another promise. This time, it is about setting up a parliamentary committee to prepare a code of conduct for members of the House and members in the other place.

[*English*]

I want to take a moment to talk about the issue of why we need a code of conduct for both Houses, as opposed to just one.

For the life of me, I have some difficulty understanding the amendment that is now before the House, the amendment by which senators will not be subject to a conflict of interest code that will apply to MPs. Why not? Why do some members across the way not want senators to have to live with the conflict of interest rules like we do? What is the objective of that?

[*Translation*]

The reasoning put forward by the mover of the amendment is more or less the following: since only members of Parliament are elected, they should be the only ones subjected to these rules. There is something wrong with that logic. Electors put pressure on their members of Parliament to remain honest; all of us feel this pressure and need it; this is what democracy is all about. If even with such democratic pressure, we still need a conflict of interest code, I think that a chamber not under this kind of pressure needs such a code at least as much as us and maybe even more. Yet, the Bloc members want to see to it that senators are not subject to conflict of interest legislation.

Mr. Chrétien (Frontenac): They are honest.

Mr. Boudria: I wonder, Mr. Speaker, how can one explain such reasoning. The member opposite just said that senators are honest. I believe that parliamentarians in both chambers are all basically honest and that all of us who have been sent here by the Canadian people have an interest in doing what is best for our electors.

[*English*]

The member who spoke before me made certain accusations and he referred to the powers at the top and the family of those at the top. It was quite obvious that although he perhaps did not have what I would qualify as the fortitude of naming him, he wanted to describe the Prime Minister. He wanted to make—and he did, albeit in a less than totally courageous way, which he did not have the wherewithal to raise—accusations against the Prime Minister.

I want to bring to the attention of members an editorial in today's Toronto *Star*. The Toronto *Star* states: "Phoney scandal over satellite TV". This is the issue the member wanted to bring across.

• (1355)

In Ottawa, the opposition parties, with an almost audible cry of "gotcha", think they finally have a winning issue, one that will stick to the Prime Minister's teflon hide. It is not gun control, deficit, social spending cutbacks or Quebec. No, it is direct–to–home satellite TV.

The Liberals overturned the CRTC decision last summer granting an effective monopoly to one company, Expressvu, to bring satellite TV to people's homes. The commission decision, made without a public hearing, had prompted howls, not only from the competition, Power DirecTv, a subsidiary of Power Corp., but also from consumers and editorialists.

In response, the Liberals established a panel of three people of impeccable credentials, all former deputy ministers, to review the CRTC decision. They concluded that the CRTC had goofed, and called for an opening up of direct–to–home satellite TV to competition. The cabinet concurred.

The opposition complaint is not with the substance of the government's decision; rather, it is that Power Corporation's president, André Desmarais, is the Prime Minister's son–in–law.

I will read the last line as we approach question period. It states: "The cabinet's authority to overturn CRTC rulings in cases such as this was specifically envisioned by this legislation introduced by the Conservative government, of which Bouchard was a member. As for the Prime Minister's own role, he declared a conflict and stayed out of the decision." Case closed.

There have been no fewer than four such editorials. Did members across outline this? No. They continued today to make what I would qualify as less than honest comments impugning the integrity of the Prime Minister.

The Speaker: It being 2 p.m., pursuant to Standing Order 30(5) the House will proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

BALA AND DISTRICT LIONS CLUB

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to acknowledge a special undertaking in my riding of Parry Sound—Muskoka.

The community of Bala, which is well known for its annual Cranberry Festival, is once again proving that its citizens have what it takes to launch worthwhile community initiatives.

This year marks the 50th anniversary of the Bala and District Lions Club, an organization that time and time again has contributed to the positive development of this close–knit community.

Now, to commemorate its 50th anniversary, the Lions Club intends to build an open–sided community pavilion at Jaspen Park in Bala for use by families and groups who spend time enjoying the park. Fundraising has begun in earnest and a concept drawing has been prepared by local artist and historian Lorne Jewitt.

I congratulate the Bala and District Lions Club for this welcome and generous initiative. I applaud the Lions members for the warmth and spirit behind this move, because when it comes right down to it these are the gestures that truly define our communities.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, after a week–long wait, Ms. Hafsa Zinaï Koudil, an Algerian filmmaker, finally set foot in Montreal. Ms. Koudil will now be able to attend the festival "Vues d'Afrique" and present her movie "Le Démon au féminin" in which she decries the intolerance and abuses of fundamentalism in Algeria.

The Minister of Immigration initially refused to grant an entry visa to Ms. Koudil despite having approved a special visa for a right–wing American activist one week earlier. Following vigorous pressure exerted by cultural and women's groups, supported by the official opposition, the minister finally granted the required visa.

Please be assured, Ms. Koudil, that despite the deplorable insensitivity some of our politicians have shown you, there is a lot of support here for the fight you have taken up.

* * *

[*English*]

TAX INEQUITY

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, this statement is inspired by the passionate and entirely justified complaint of Bruno Epp of Calgary.

Bruno, along with thousands and thousands of other Albertans, is fed up with decades of federal tax unfairness that has resulted in the following inequity. From 1961 to 1992 Albertans per capita and per year paid out over $2,000 more tax to the federal government than they received in services. The only other province whose citizens got less than they paid was Ontario.

This trend will only worsen now that the finance minister decided in his last budget to disproportionately punish Alberta for its fiscal responsibility. There is a basic injustice here that is not being ignored in Alberta.

Why should the citizens of one province pay out for three decades running billions more than they received? The country has taken Alberta for granted. Bruno Epp and thousands of other Albertans want Ottawa to know they have had enough.

* * *

ONTARIO ELECTIONS

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, I rise today to wish all candidates the best of luck in the upcoming provincial election. Their province and their country need them.

A Liberal government led by Lyn McLeod at Queen's Park will help get Ontario back on track. The performance of the current NDP government, including its obstructionist, unco–operative dismissal of federal–provincial relations, has left Ontario with uncontrolled government spending, rising debt, a stalled economy and one in nine Ontarians on welfare. Clearly the time for a change in government is now.

I wish Mr. Rudy Stikl and Mr. Barry Fitzgerald, the Liberal candidates in Norfolk and Elgin, all the best. Their own communities and all Ontario need their contribution at Queen's Park. Good luck to all Ontario Liberals.

* * *

VOLUNTEERS

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, April 23 to the 29 marked provincial volunteer week in Nova Scotia, and throughout my riding numerous receptions were held to honour the wonderful people who volunteer in our communities.

There can be no dollar value placed on the selfless commitment of time and hard work by thousands of volunteers who make our communities better places to live.

Many seniors groups throughout Cumberland—Colchester have asked me to publicly thank the Ministry of Health for sponsoring the new horizons grants which help volunteers in so many communities to assist seniors projects helping seniors.

Volunteerism is alive and well. I thank the thousands of volunteers in Cumberland—Colchester who serve our communities which make Canada the number one country in which to live.

* * *

GRAND RIVER

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, running through the centre of my riding is the beautiful Grand. On the shores of this heritage river is the flora associated with a rare and exotic Carolinian ecosystem.

Determined to sustain and improve our understanding of this ecosystem, the Grand Valley Trails Association applied to the federal government for support under the environmental partners fund so it could plant restorative vegetation and build pathways along the river front.

The Brantford environmental education project was approved and as a result we now have a remarkable partnership. The Brant Waterways Foundation, the Grand River Conservation Authority and the city of Brantford have all joined together to help manage this spectacular project in our community.

Last Thursday we all came together to celebrate the official opening of the pathways. They are marvellous. I congratulate the five partners in the project and invite everyone to come to Brantford to enjoy our Carolinian ecosystem along the Grand River.

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[*Translation*]

WORKERS'S RIGHTS

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I attended a celebration marking International Workers Day yesterday, in Granby. A representative of the former workers of the Simonds plant reminded me of our collective responsibility to defend workers' rights.

Simonds, a Granby tool manufacturing company which has now closed down, took over its employees' pension plan. Since 1988, Simonds' ex–employees have been pleading in court to recover the surplus from their pension plan. Last week, the company decided to challenge the unanimous Appeal Court decision to distribute the surplus among the workers.

It is time to expose this kind of fraud. We have a duty to let companies know that they have to fulfil their moral and legal responsibilities towards their employees.

* * *

[*English*]

WEST COAST FISHERIES

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the Minister of Fisheries and Oceans has been hailed as the hero of the east coast. At the other end of the country the B.C. fishery has taken a beating and, according to British Columbia's fisheries minister, 1995 will be no different.

Along the Quesnel River the chinook salmon run of 1994 was down 75 per cent. The Quesnel River hatchery released over 200,000 fish to support these levels but it is threatened with imminent closure.

Its last release scheduled for this month will consist of 200,000 one–gram chinook babies who only have a one in one–thousand chance of surviving because of their age and size. They are being released a whole year early. These fish are not crying out, "someone reach out and save us", like the minister quoted the turbot as saying in New York. After all, these chinook are not old enough to talk.

• (1405)

It is time for the minister to take his commitment to conservation seriously. It is time for him to show his commitment to protecting the chinook salmon. Preserve the salmon for our children and grandchildren by keeping this hatchery open.

* * *

INFRASTRUCTURE

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, the National Capital Commission has a proposed master plan for the development of a high tech park in the greenbelt area in Nepean. There already exists a high tech district in Kanata which is under utilized and ready for business.

Is it necessary to build when the infrastructure already exists? Is it necessary to destroy a green area when other areas are already serviced and desperate for business? Would more stable employment not be generated faster if the existing infrastructure were used?

Furthermore, the NCC's plans are bitterly opposed by the neighbourhood. Most residents of Crystal Bay have signed letters protesting the proposal. Earlier in March a public meeting was held and the residents clearly stated they wanted the greenbelt green, not paved.

The government repeatedly promises to be responsible and frugal in its spending. The Liberals say they are committed to

reducing the public debt and encouraging private sector growth in the areas of high technology and employment.

Therefore is it not time to shelve the NCC's master plan for a high tech park?

* * *

PHYSIOTHERAPY

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, last week was national physiotherapy week. This year also marks the Canadian Physiotherapy Association's diamond jubilee.

National physiotherapy week is an annual campaign sponsored by the Canadian Physiotherapy Association to increase awareness of physiotherapy. This year's theme was: "Physiotherapy: Celebrating the Past, Shaping the Future". The theme related to the evolving role of physiotherapists in Canada's health care system.

[*Translation*]

For over 75 years, physiotherapists have helped Canadians get into top physical shape. In addition to this important role, they are now increasingly involved in promoting good health.

[*English*]

I join Canada's 12,000 physiotherapists in reminding Canadians of the important role physiotherapists play as members of our important health care system.

* * *

FIREFIGHTERS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, people around the world have been deeply affected by the images of the recent and terrifying bombing of an Oklahoma government building.

One of the most vivid images of this decade and the most haunting is one that we have seen on the covers our our national newspapers and magazines, that of an Oklahoma firefighter holding a young child in his arms.

In Canada, as in the United States, we are proud of our firefighters, full time and volunteer, who put their lives on the line every time they go to work. Firefighting is one of the nation's most dangerous occupations, and the men and women who enter this profession do so in service to all Canadians everywhere. They are also the largest providers of field emergency medical care for Canadians.

This week the International Association of Firefighters is holding its fourth annual legislative conference in Ottawa.

Please join me, colleagues, in welcoming firefighters from across Canada to our nation's capital. Let us also thank them for their courage, bravery and altruism which they so readily share with our families and neighbours. Thank you for all your hard work.

* * *

[*Translation*]

RIGHTS OF THE CHILD

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, I was recently saddened to learn about the death of a young boy, Iqbal Masib, who was campaigning against the use of children in Pakistani carpet factories. Although his protest campaign resulted in the closure of several factories, it also led to his death at the hands of killers.

Children are hired as factory workers in several countries not only because they have small fingers but also because they do not complain about abuse and constitute a source of cheap labour for employers. That is very, very sad.

[*English*]

Canada must be vocal in its denunciation of child labour in all its forms. We must convince governments with existing legislation to enforce their laws with respect to the bonding of children as labourers. Those without existing laws must be singled out and denounced. Abuse of children is unacceptable. It is barbaric and it must not be tolerated.

The children of the world must be given a chance. Canada has a responsibility to help them.

* * *

[*Translation*]

LABOUR RELATIONS

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I am sure that workers are not in the mood to celebrate this day, May 1, with members of the federal government. For the past 18 months, the government has been considering the possibility of introducing antiscab legislation. Yet, nothing has been done and we have learned that this is no longer a priority for the labour minister. Meanwhile, the 116 Ogilvie Mills workers on strike for the past 11 months see scabs crossing the picket line every day.

• (1410)

In two months, two special back–to–work bills were rammed through Parliament, ignoring the workers' right to negotiate and encouraging employers to remain inflexible.

One cannot serve Power Corporation and CN on the one hand and care about workers' needs and concerns on the other hand. The government chose between the two and it did not choose the workers.

S. O. 31

[*English*]

ORGAN DONATION

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, organ donors and recipients held an informal meeting in Ottawa last week hosted by the Deputy Speaker. They were particularly pleased when the Speaker of the House took time to address them in person.

These men and women embody the best in human endeavour. Donations of organs are often contemplated in times of sorrow so that a fuller life will be offered to someone else.

I encourage every MP in the House to open their driver's licence and sign the universal donor card. By this altruistic act we politicians can show compassionate leadership. Organ donation can provide hope to someone quietly slipping away.

* * *

[*Translation*]

BIENNIAL CONVENTION OF THE LIBERAL PARTY

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the biennial convention of the Quebec wing of the federal Liberal Party was held in Trois–Rivières last weekend. This convention allowed the federalist troops to review various issues of national importance and get ready for the referendum to be held this fall.

Those in attendance participated in some very interesting workshops and discussions. The convention was a total success.

That is why I wish to congratulate all the organizers who contributed in varying degrees to the success of this event. The welcome we received from the people of Trois–Rivières also helped make it a success.

I am sure that all the participants left the Trois–Rivières region with a feeling of accomplishment. We are more ready than ever to face the separatist forces during the referendum campaign.

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NATIONAL UNITY

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, the people in my riding of London—Middlesex are very concerned about Quebec's possible secession from Canada. Like most Canadians, they understand that Quebec is a very important member of the Canadian family.

They believe, however, that common sense will prevail in Quebec and that, faced with the choice, Quebecers will opt for a united Canada. Despite occasional difficulties, Quebec and Canada have always been good partners.

All concerned citizens should work to preserve national unity.

* * *

[*English*]

GUN CONTROL

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, this past weekend I attended a gun owners' rally in my riding organized by the Reform Party. The two featured speakers were myself and the member for Crowfoot. Not surprisingly, I found myself on the defensive for my support of the government's gun control bill.

However, it was most interesting to hear the Reform Party member for Crowfoot state he considers ownership of a firearm to be a right, not a privilege, and that every person should be entitled to use the threat of deadly force to protect his personal possessions, for example his television or VCR.

He told people in the audience that if someone steals from them or attempts to do so they should be able to reach for their guns. This is not the view of most Canadians or most gun owners. It is a view surely only of a few, a minority. The Reform Party needs to search its conscience and listen on this issue to the majority of Canadians.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, Pearson airport, the current hub of Canada's transportation system, is falling behind the competition in its bid to become North America's gateway to the world. Partisan politics is obscuring the main task at hand. Pearson must prepare for the 21st century and increase its capacity.

Ninety–seven Liberal MPs represent Ontario in the current government; 97 MPs whose constituents would benefit from Pearson emerging as a viable force on the international scene. Yet no solution to the current log jam is in sight.

• (1415)

Why is the government delaying the inevitable? Let us hold an impartial judicial inquiry into the contracting process with a specific deadline. If evidence of wrongdoing is found let us move to punish those responsible. If no evidence of wrongdoing is found let us renew, renegotiate or re–tender the contract.

This is no rocket science but the old saying about safety in numbers obviously does not apply to Ontario's voice in Ottawa.

ORAL QUESTION PERIOD

[*Translation*]

SOCIAL ASSISTANCE

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in his speech to the Liberal party faithful in Trois–Rivières yesterday, the Prime Minister accused the Government of Quebec of ignoring poverty, adding that Quebec had more poor people than anywhere else in Canada.

My question is directed to the Acting Prime Minister, and I imagine it will be the Minister of Human Resources Development.

Would the minister agree that it takes a lot of nerve to accuse the Government of Quebec of neglecting the poor, when his own government, in its first two budgets, launched an attack on the poor and the disadvantaged in Quebec and Canada, thus putting thousands of people on welfare?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I certainly share the public's concern about poverty, and especially child poverty.

However, our government has taken a number of steps to respond to these serious problems. For instance, we created thousands of jobs across Canada, and especially in Quebec, where we created 110,000 permanent jobs, including 73,000 in Montreal alone during the past year.

The best way to deal with poverty is to help people get a job. This year, the government's record on job creation has certainly been the best of any western country.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, 40 per cent of new welfare recipients in Quebec are unemployed workers who have exhausted their unemployment insurance benefits. Who is to blame? Blame the man who launched those tirades on the weekend.

How can the federal government accuse the Government of Quebec of ignoring poverty, when the federal government, through cuts in unemployment insurance under Bill C–17 and reductions in federal transfer payments for social assistance, has aggravated the circumstances of thousands of people who, in Quebec, are already living below the poverty line?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is important to point out two very important figures. During the past year 86,000 fewer people applied for unemployment insurance as a direct consequence of improved job creation and employment development. In other words, the number of people applying for unemployment insurance has fallen drastically. The number of people who have exhausted their benefits has fallen by almost 25 per cent.

To say, as the hon. Leader of the Opposition tried to do in his statement yesterday, that the consequence of the problem is because of people exhausting UI benefits is simply not borne out by the facts.

We understand and certainly share a very strong concern about long term unemployment problems. They are faced by every country. There are major changes in the workplace. That is why we want to bring in reforms to our social, training and development programs. To go around pointing the finger, as the hon. member did, and saying that is the problem simply is not borne out by the reality of the facts.

• (1420)

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, job creation is the best way to fight poverty.

That being the case, the federal government is hardly in a position to blame Quebec, when that same government refuses to get involved in the conversion of Quebec's defence industry, refuses to help MIL Davie, cuts off regional development assistance and manages to chop $200 million from the infrastructures program, the only tangible job creation measure announced by this government since it came to power.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we have been through the discussion on MIL Davie. My colleague, the Minister of Industry, has dealt with it many times, pointing out that the major shareholder in MIL Davie is the Government of Quebec. If they are directly concerned about job creation then they have an opportunity to produce.

I point out a further observation for the hon. Leader of the Opposition. Because of the direct efforts and initiative of the government, in addition to setting a different climate throughout the country for the 430,000 jobs that have been created, over 120,000 jobs were created last year. There were infrastructure, new programs in internships and new developments dealing with applied programs for apprenticeships. Various kinds of direct initiatives have provided an additional 120,000 jobs for Canadians.

That demonstrates we are taking our responsibilities seriously. We are doing what we can to respond. We simply ask that other governments take their responsibilities as well.

[*Translation*]

TELECOMMUNICATIONS

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Minister of Industry stated last Friday in the House that he had kept the Prime Minister's senior policy adviser, Eddie Goldenberg, abreast of developments on the Power DirecTv file, in which the rather large Liberal family, including the Prime Minister's son–in–law, has a stake.

My question is for the Minister of Industry. How can he claim that the Prime Minister remained at arm's length of the Power DirecTv issue, which has implications for his son–in–law, when his senior policy adviser was kept apprised of developments and intervened at every step of the process, until it culminated in the adoption of an order custom–made for Power DirecTv?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as I explained in detail Thursday and Friday, I believe, the satellite broadcasting issue was handled transparently and was accepted by all independent parties concerned. I have yet to hear how the Bloc Quebecois would handle the satellite broadcasting issue, perhaps because they lack a policy on it. Our approach was to table a directive in the House of Commons, as provided for under the Broadcasting Act, which was tabled in the House when the leader of the Bloc Quebecois was a member of the Mulroney Cabinet.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, what gall! When the minister talks about transparency on this issue, the only thing that is clear is that the Prime Minister's son–in–law lucked out when this extraordinary, unprecedented, exceptional measure was implemented. That is the one thing that is clear.

Some hon. members: Hear, hear.

An hon. member: That is what I call clear. That is transparent.

An hon. member: That is family spirit.

Mr. Gauthier: Can the Minister of Industry actually be serious when he claims that Mr. Goldenberg was not involved in the Power DirecTv deal, when Cabinet made its first move in the company's favour, deciding to review the CRTC's order and to create a working group led by Mr. Goldenberg's former associate just days after the Prime Minister's senior policy adviser and the president of Power DirecTv met?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I think the report of the committee speaks for itself. The committee proceeded in a transparent fashion. It received submissions from across Canada. It made them available publicly. The report of the committee has not been criticized in its logic or its substance by any member of the House, including the hon. member who posed the question.

There is no basis upon which the government should fail to act to carry out its responsibilities in a way that responds to the interests of consumers and ensures a competitive structure for satellite broadcasting in Canada.

• (1425)

If there is any basis upon which the hon. member can suggest the government should not act or should refuse to act in the best interest of Canadians, let him explain it. He has the opportunity to do that during the course of review of the direction in the House of Commons.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, throughout the direct to home satellite debate the government has attempted to deflect criticism by portraying the Reform Party as anti–competition, and nothing could be further from the truth.

The government has also said that we could not criticize the process. Wrong again. Not one part of the tainted DTH process was above board. Expressvu is loaded with CRTC insiders and Power DirecTv has stronger Liberal ties than Mackenzie King.

The only thing that has been clear in all of it is that Canadians are paying the price for the government's lack of coherent cultural policy that favours true competition.

My question is for the Minister of Canadian Heritage. If the government truly wants competition, why will it not live up to its commitment to release a comprehensive cultural policy?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, we are making policy and this is what seems to be so irritating to the opposition. It is important to make policy for the information highway and the bottom line of it is Canadian content. The bottom line of Canadian content is the production of Canadian content. This is what we are doing.

We are bringing the policy before the House through the direction. There will be opportunity for members of both opposition parties to express their views. This is also the reason why I have been investing time in the film industry, in order to make sure there is Canadian content.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I did not get a response to my question regarding competition. Policy is required but not the ad hoc weathervane approach of the government.

One day the government is restricting choice and competition in the country music industry. The next day it is opening the doors for its Liberal friends in Power Corp and their American buddies to set up their satellite networks across the country. It is

no wonder the Minister of Canadian Heritage does not know whether he is coming or going.

I have a supplementary question. Where does the government really stand on competition in cultural industries? Is the government for it or against it?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is very important to understand one thing. In pursuing the issue of how to move forward the satellite broadcasting file, the government has repeatedly restated its commitment to a competitive environment.

I do not understand. Last Thursday quite properly Mr. Rick Anderson disclosed on national television that he had an interest in Expressvu. I would like to know, and I think Canadians have a right to know, whether the senior political adviser for the leader of the Reform Party has played a role in deciding what strategy members of that party were going to follow in pursuing this file because they are against competition and they are against consumers in the way they are conducting this file.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, that is the most ridiculous spin I have heard yet in the House of Commons.

My question is for the Minister of Canadian Heritage. The government's ad hoc approach to cultural competition cannot continue. Eventually the Liberals will have to get off the fence. The CBC is in disarray for the lack of a cultural policy. The Canada Council is in disarray for the lack of a cultural policy. We are crawling along the information highway at a snail's pace because of the lack of cultural policy.

What is the holdup? Is the government waiting for the approval of Mr. Goldenberg, Mr. Desmarais or Mr. Bronfman?

I ask again: When will the government release its long awaited cultural policy? We have been waiting for 18 months.

• (1430)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, before asking about Canadian cultural policy, our colleague should know about Canadian culture.

The hon. member seems to have been fighting to bring American culture here by supporting some American interest in the Country Music Network rather than supporting Canadian interests. It is no wonder that through a lot of accusations which have nothing to do with policy she gets a wonderful quote in the *Globe and Mail*. The Saturday editorial in the *Globe and Mail* said: "The public has a pretty good nose for a rat and this time it is not on government benches".

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, on Friday, the Minister of Industry acknowledged that Eddie Goldenberg, the Prime Minister's senior adviser, had communicated two things to him, and I quote: "—that the Prime Minister did not want to be involved in any way in the matter, and neither did he". Not long before, however, the Minister of Industry had said he had kept Mr. Goldenberg informed of all developments concerning Power DirecTv.

How does the Prime Minister explain the Minister of Industry's regularly informing his senior adviser, Eddie Goldenberg, of decisions concerning Power DirecTv, after Mr. Goldenberg had said he did not want to be involved in the matter in any way?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I find it peculiar that opposition members seem to think there is something wrong here when they cannot point to anything wrong either with the report or its implementation.

I will restate that of course it is normal in important files that the Prime Minister's office would be informed of what was happening. However, I would also like to state as I have repeatedly that with respect to this file decisions were taken by the Minister of Canadian Heritage and myself. We were neither instructed nor requested either by the Prime Minister or by his principal secretary to do anything in particular on these files. The decisions we took were our own. As far as I am concerned, I have yet to hear any substantive criticism of any of them.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, in view of the direct involvement of the Prime Minister's son–in–law, in view of the millions of dollars at stake and in view of the serious allegations as to the role of the Prime Minister's office in the Power DirecTv matter, will the Prime Minister agree to table in this House the memorandum in which he insisted he not be involved in this matter in order to avoid any conflict of interest given his son–in–law's interests in Power DirecTv?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, this same question was put on Friday. There is no question of something being tabled. The Prime Minister made it clear in his only comment on this file in my hearing that he wanted nothing to do with it. He removed himself from cabinet when it was discussed at that time. There is really nothing there for the hon. member to ask for.

It is more important to ask what exactly this is all about. I think that is a complete bankruptcy of policy in both of the opposition parties, neither of which has the faintest idea what should be done with respect to satellite broadcasting policy in this country.

Oral Questions

MEMBERS OF PARLIAMENT PENSIONS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this government appears particularly sneaky. First it told Canadians that MP pension reform would save taxpayers over $3 million. It did not mention the fact that Canadian taxpayers would have to top up the trough annually to the tune of $7 million.

The government told Reformers that we could opt out if we found the pension scheme a little too rich for our blood. What it did not say was that future MPs will be forced to join this obscene pension plan.

My question is for the Minister of Finance. Why has the government limited the opting out provision to current MPs only? How deep is this cabinet's commitment to real pension reform?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, it was on February 22 that the President of the Treasury Board made the announcement with respect to MP pensions. A backgrounder was also available on that day indicating very clearly the conditions under which the legislation would come forth. It is an opportunity for people to opt in once the legislation is in. Everybody will be treated in a very similar way.

• (1435)

I might add that the member for Calgary West and the leader of the Reform Party were in attendance at the meeting. I do not know why there are any particular surprises. If there are suggestions to be made, they can be made in this House when the legislation is debated. They can also be made in committee.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, my surprise stems from the fact that this government had the gall to actually introduce that legislation without making some kind of statement.

Nothing has really changed. The MP pension plan is still astronomically rich. We will still receive twice the national limit. Those benefits are still indexed against inflation and there is no cap on ministerial pensions.

Maybe the class of 1988 and the others who will choose to join me in opting out of this pension plan could change things from the inside. The legislation that was tabled is not acceptable.

Why did the government rule out replacing the entire MP pension scheme with a more realistic private plan such as other Canadians receive, one dollar for one dollar?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, this particular question shows very clearly the opportunism sought by the Reform Party. The red book made two promises. It said that the age of eligibility would be raised and that has been done. The red book also said there would be no double dipping and that has also been done.

However, the government decided to go further. It said that it would contribute one–third less to MP pensions than it had in the past. It also said that MPs did not need to participate. It also said there would be 20 per cent less accrual rate for MPs. It went beyond what was promised. The Reform Party is trying to exploit this issue for its advantage.

* * *

[*Translation*]

SEAGRAM

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the heritage minister claims that he learned of the takeover of MCA by Seagram only after getting off the plane in Los Angeles, adding that the transaction was highly secretive, when there had been reports about the imminent takeover of MCA by Seagram for weeks.

How can the Minister of Canadian Heritage explain his travelling incognito to Los Angeles accompanied only by his chief of staff, without being given the usual pre–trip briefing that department officials always give their ministers before a trip abroad?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, such trips, this one in particular, are carefully planned. As I told the House before, I had taken the time to consult with several representatives of the Canadian film industry. That qualifies as preparation.

Second, to keep travel expenses to a minimum, I do not travel abroad with an entourage of government officials unless I have to, and I dare anyone to come out and disprove it. I would also point out to our colleagues opposite that the our consul general in Los Angeles was with me at every meeting I attended. So, every single one of the allegations we have heard over the past few days is false.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the minister maintains that this visit had been carefully organized. If that is the case, could he tell us how he can continue to maintain in earnest that he knew nothing about this transaction until he got off the plane in Los angeles, when every major daily newspaper in Canada was reporting that a deal was imminent, as was confirmed by Mr. Bronfman himself the day before the minister arrived incognito in Los Angeles?

• (1440)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, not surprisingly, our colleague is not listening to me. Of course, rumours had been going around for a few days and I am on record in *Hansard* as saying on April 28 that I had heard a rumour to that effect a couple of days prior to the takeover.

So, the hon. member's story shows not only that he does not listen but that he does not read *Hansard*. Only a wizard could have predicted exactly when the transaction would take place. In order to know, I would have had to be informed of what was going on. I did not learn about the transaction on the day it took place because, as I have been telling you repeatedly, no one kept me fully informed of this whole matter.

* * *

[*English*]

HARBOURFRONT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, my question is for the Prime Minister.

When the finance minister brought down his budget in February he said that all Canadians and regions would share the pain equally, every region except metro Toronto apparently. Canadians were stunned to hear that under pressure from Liberal MPs, the federal government is restoring $4 million of federal funding to Harbourfront.

How can the Prime Minister justify giving Harbourfront $4 million at a time when Canadians are being asked to tighten their belts even further?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I am happy that the Reform Party has raised this issue. It underlines its fundamental support for cultural activities in this country.

I am rather surprised that Reform members would be against Harbourfront receiving moneys in order that it can carry on its activities and contribute substantially to tourism in the province of Ontario.

The hon. member should also know that the money which has been allotted to Harbourfront is not new money. It is a reallocation of moneys from the existing department, which goes a long way to providing much needed jobs in the city of Toronto.

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WINNIPEG JETS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, obviously there is no overall plan.

As if Harbourfront were not bad enough, now we learn that the Minister of Human Resources Development will be meeting with the Prime Minister today to secure a $16 million loan for the Winnipeg Jets. If the minister thinks that the taxpayers will stand for this kind of expenditure, he has been playing without his helmet for too long.

Will the Prime Minister assure this House that no public money will be used to prop up the Winnipeg Jets?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, once again the hon. member demonstrates how weak a case can be gained by the Reform Party using the somewhat flimsy source of resources that are provided by the media from time to time.

All we can report to members is that whatever initiative is taken in terms of the Winnipeg Jets and the arena is being initiated by the private sector in that city. Applications for grants have been made under the infrastructure program, as several other cities have already done. That is the kind of proposal that would be considered, if requested.

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[*Translation*]

BOSNIA

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

The truce in Bosnia officially expires today, May 1. Yesterday, the UN special envoy in the former Yugoslavia, Mr. Akashi, failed in an ultimate attempt to extend the truce, following the refusal of Bosnian Serb belligerents.

Can the Minister of Foreign Affairs tell us about the current situation in Bosnia with the expiration of the truce and does he agree that fighting could intensify in the next few days and jeopardize the safety of Canadian peacekeepers?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to thank the hon. member for giving me this opportunity to say, on behalf of the Canadian government, that we support the efforts of the UN envoy, Mr. Akashi.

The developments which occurred over the last few hours give us reason to believe that, although the truce will not be extended, fighting will not intensify. We, of course, made representations to the parties involved in the conflict, asking them to use some elementary restraint so that the situation does not deteriorate any further.

• (1445)

The position of UN peacekeeping forces is such that they can save lives among the population affected by the conflict. This is why Canada continues to support the UN's efforts to restore peace.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, can the Minister of Foreign Affairs tell us if the UN made new representations to the Bosnian government and to Bosnian Serbs to ensure the following: first, an extension of the truce; second, the maintenance of the humanitarian assistance provided; and

third, the pursuit of the negotiation process between the belligerents? Are there any new agreements?

[*English*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the answer to the three points is yes.

I know that some members of the Reform Party were not too happy because I was trying to give as elaborate an answer as possible. The situation in ex–Yugoslavia is extremely serious. I do not know if they feel we should not be participating in trying to maintain peace and security in Europe. However, it certainly is important and I commend the hon. member for raising a question of such importance in the House of Commons.

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FISHERIES

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

As all Canadians are aware, and I am very proud to say, Canada has been successful in negotiating a settlement with the European Union with regard to the recent dispute over Greenland halibut. It is a settlement which will ensure conservation of fragile fish stocks as well as strict enforcement of NAFO fishing regulations.

Can the Minister of Fisheries and Oceans inform the House what the government is doing to ensure implementation of the terms of this agreement?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I would like to thank the hon. member for St. John's West for her question.

I am pleased to inform all members of the House, especially my friends in the Reform Party who are waiting with bated breath, no pun intended, that 35 European Union observers will be arriving in St. John's, Newfoundland today and tomorrow. The EU observers will be taken aboard EU support vessels and by Friday placed on all Spanish and Portuguese vessels fishing within the NAFO regulation zone.

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BOSNIA AND CROATIA

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I want to assure the House that we are very interested in what is happening in the former Yugoslavia. As we are deploying troops in Bosnia and Croatia, UN troops are being blockaded in their barracks and their positions are being mined.

In Croatia a new military offensive has begun and several UN soldiers have been wounded.

With the situation deteriorating, just as the Reform Party predicted, when will the government finally realize that it should pull our troops out of Bosnia and Croatia?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we know it is a very dangerous situation in the former Yugoslavia. Canadian soldiers are making a heroic effort to continue to discharge their mission.

With respect to the question of the mandate, that was debated in the House some weeks ago. We re–engaged for a further six months and nothing has caused the Government to Canada to change its mind since that time.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, we all know that the government would pull out of Bosnia and Croatia if the whole UN contingent was withdrawn.

Are there any cases, and what would those specific conditions be, in which we might take unilateral action to pull our troops out?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Prime Minister has made it known a number of times, as well as all of us in the government, that if the arms embargo was lifted it would precipitate Canada to take its soldiers out of ex–Yugoslavia.

In principle, we do not favour doing anything unilaterally. We are working with our allies on the ground. A concerted effort will be made to deal with all the problems there. Should those forces have to leave, it will be done in co–operation with those with whom we are serving.

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• (1450)

[*Translation*]

LABOUR RELATIONS

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. At the Liberal convention in Trois–Rivières last weekend, the Minister of Labour said that including antiscab provisions in the Canada Labour Code was no longer a priority for the government. The minister has clearly chosen to devote herself full time to the Quebec referendum, thus neglecting her responsibilities as federal Minister of Labour.

How does the minister justify the about–face of his colleague, the Minister of Labour, who now refuses to table a bill that would add antiscab provisions to the Canada Labour Code after promising to do so upon taking office?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, consultations on this issue are under way between the Minister of Labour, the unions and the employers. At the minister's request, the Director General of the Federal Mediation and Conciliation Service is meeting with the parties. We

are not yet in a position to answer this question. We will give the hon. member an answer as soon as it becomes available.

Mr. Bernard St–Laurent (Manicouagan, BQ): How can the minister justify the fact that his colleague, the Minister of Labour, who was so eager to bludgeon rail workers upon taking office, no longer finds the time to include antiscab provisions in the Canada Labour Code?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, just as we did during the rail strikes, we acted in the national interest. We also think that we must now take the time to consult with the parties and try to reach a compromise.

I know that the opposition would prefer to take immediate action, without taking all necessary measures and without analyzing the situation. This government, however, wants to do the right thing for Canadians and Quebecers and will therefore make every effort required to achieve this goal.

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[*English*]

HIGHWAYS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, last Monday we were advised that the province of Nova Scotia, not the federal government, had decided to divert $26 million from the Wentworth bypass project in Nova Scotia to the riding of the minister of public works in Cape Breton.

Richie Mann, an MLA in Cape Breton whose riding will also benefit from this diversion of funds has stated: "Mr. Dingwall's role in this is that he talked to us about it and we talked to him about it and we all agreed it is a worthwhile project to do".

My question is for the Minister of Public Works and Government Services. Why did the minister put himself in a conflict of interest position when he talked to Mr. Mann about diverting the $26 million to a tourist road in his riding from a road that has claimed over 40 lives between 1986 and 1992, a road that will now have to be a toll road?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is an unusual situation when members of Parliament, and for that matter because of a previous incarnation when I was in the New Brunswick legislature, not to have politicians talk about roads, especially in Atlantic Canada.

I can assure the hon. member that the discussion of the allocation of highway funds for Nova Scotia took place with the minister of transport for Nova Scotia. Those consultations are ongoing with Nova Scotia and other provinces.

I am sure the hon. member recognizes that when members of the House have an opportunity to discuss with their provincial colleagues matters of mutual interest, it is certainly not a matter of conflict of interest, but a matter of doing their jobs. It is something of which the hon. member is not too aware, obviously, by the interest he has brought to this matter over the last couple of weeks.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, this is the fourth time I have stood in the House and asked the question of the minister of public works, and I keep getting an answer from this fellow.

Members on both sides of the House say misappropriation of funds has taken place. This is a classic case of conflict of interest. The Auditor General of Nova Scotia says that this is a serious case.

Will the Prime Minister call for an investigation by the ethics counsellor? If possible, I would like to ask either the Prime Minister to answer or the fellow who will not stand up here.

• (1455)

The Speaker: Usually, but not always, questions should be directed to a minister rather than this fellow because it confuses the Chair sometimes. The hon. Minister of Transport.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is very unfortunate that the hon. member does not understand that when agreements are made with provinces there is an ongoing process of consultation.

The moneys that are going to be spent in Nova Scotia, as is the case with any other funds expended on behalf of the Canadian taxpayers, are subject to very stringent review both by the Auditor General of Canada as well as our department when we are reviewing those expenditures.

I know the hon. member is new to the House. It is true he has been up three or four times—and it shows—but the problem he has is in addressing questions like this using words like misappropriation of funds. If the hon. member were a little bit more careful he would understand that misappropriation of funds has implications that go far beyond a simple renegotiation of a contract to allocate funds for highway construction in any province.

Therefore, I ask the hon. member to reconsider that kind of insinuation.

* * *

OFFICIAL LANGUAGES

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the President of the Treasury Board.

My colleague is familiar with recent reports from the Commissioner of Official Languages. Those reports single out problems that some Canadians are having in getting service in the two official languages from federal offices.

Could the parliamentary secretary tell the House what the government is doing to get at these problems to ensure that Canadians receive federal services in either official language where that is entitled?

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, the commitment and the resolve to ensure quality services in federal buildings under the Official Languages Act continues.

The Secretary of the Treasury Board will be requesting action plans from all of those departments where performance was weak or where they were not investigated. Those plans will be brought forward by the end of September, will be put together and brought to the parliamentary committee on official languages for discussion. The degree to which the implementation has occurred will be reviewed in March 1996 and every six months thereafter.

Finally, a list of all of the buildings requiring those services have been updated and circulated. There have been over 700 consultations in the regions to try to ensure that the service is improved.

* * *

[*Translation*]

VOLUNTEER WORK

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The minister recently published a brochure promoting National Volunteer Week. This brochure emphasizes the importance of volunteer work in our communities and pays tribute to the 13 million volunteers in Quebec and Canada who give their time to the disadvantaged, the needy and the neglected.

How can the minister stress the merits of and need for volunteer work when the funds allotted to voluntary organizations have fallen from $1,066,000 in 1993–94 to $65,000 in 1995–96, a 94 per cent cut?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I have yet to announce the amounts that will go to volunteer organizations. I support their work because it is eminently commendable and because it furthers the development of Canadian society.

[*English*]

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, a recently published study on the economics of immigration has confirmed that the Reform Party has been right all along. It found, among other things, that the skill and language levels and ability to integrate of today's immigrants has declined as a result of the short–sighted family reunification and refugee policies of the government.

In light of this study, will the minister of immigration immediately reconsider his 1995–96 do nothing immigration plan, a plan that makes no significant changes to the policies of the last decade?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the levels document we presented to the House of Commons was not only the work of the caucus and the government. For the first time we reached out, talked and discussed with over 10,000 Canadians the kind of immigration policy that the country wants to have and what were their views on our position in the international community. The answer is, no, we will not reconsider.

* * *

• (1500)

NON–GOVERNMENTAL ORGANIZATIONS

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Recently the government announced the total elimination of funding for global education groups and youth organizations, from the Queen Charlotte Islands Global Link Society in B.C. to the St. John's Oxfam office in Newfoundland, as well as the total elimination of $8 million for the International Planned Parenthood Federation.

I want to ask the minister this question: In view of the government's earlier promises in the foreign policy statement and in Cairo to strengthen these programs, will the government now reconsider this slashing? And will it explain why it has abandoned the promises it made to the people of Canada and to the poor women of the world?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to reassure the hon. member that indeed we are not abandoning our commitment. We are going to do it differently. We will privilege bilateral relations and programs with non–governmental organizations that are operating in those countries where the need is the greatest.

We are certainly determined, as our red book has said and as our policy enunciations reiterate, to play an active role in this regard.

* * *

NATIONAL DEFENCE

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, my question is for the Minister of National Defence. As the minister is aware, the efforts of the competition bureau to increase competition in household moving have been thwarted by the IDC.

The first two new suppliers in the past 20 years have been eliminated in the first 30 days of the contract. As a result of IDC action, the only wholly Canadian owned suppliers were forced to withdraw.

Can the minister explain to this House how this came about and what action the government proposes to take in this regard?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I know my colleague has shown a great interest in this matter and I commend him for it. He will remember that the bureau of competition did conduct an exhaustive review of this particular issue. The interdepartmental committees worked on contracting procedures and found that all of these procedures did comply with all aspects of competition law.

A number of recommendations were made for increasing the competition and encouraging new companies to bid for this business. A number of measures were implemented in the past year, and as a result of the changes there were four new companies that did engage in the bidding process. It now turns out that both of the successful companies that won are run by the same person and for unknown reasons have withdrawn from the competition.

There will be further information coming on this file a little later. I want to assure the hon. member that we have taken his suggestions into consideration in the formulation of our new policy.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to no fewer than 90 petitions.

NUCLEAR NON-PROLIFERATION TREATY

Hon. Raymond Chan (Secretary of State (Asia-Pacific), Lib.): Mr. Speaker, a few days from now representatives of 175 nations, including Canada, will gather in New York to decide the fate of the most important international arms control agreement in force today, the nuclear non-proliferation treaty, NPT. Few agreements are as important to Canadian security as this key international agreement.

Today I want to outline briefly why Canada supports the indefinite and unconditional extension of the NPT and the reasons we will be encouraging others to do the same at this important conference.

• (1505)

The nuclear non-proliferation treaty, of which Canada was an original signatory, entered into force in 1970. The NPT is important to Canada for three essential reasons. First, the NPT establishes a barrier to the further proliferation of nuclear weapons. This is the NPT's most fundamental purpose and its most outstanding success. By limiting the spread of nuclear weapons, Canada and the world are more secure as a result.

Second, the treaty provides the framework for the peaceful uses of nuclear energy by establishing a system of effective international safeguards. These safeguards, implemented by the International Atomic Energy Agency, ensure that nuclear material is not being diverted to weapon programs. Canada will not sell nuclear technology to any nation that does not have a safeguard agreement with IAEA and has not signed the NPT or a regional equivalent. Our exports of nuclear technology under safeguard agreements have helped to sustain an industry that employs 20,000 people directly and another 10,000 indirectly.

Third, the treaty commits all states to work toward disarmament, including nuclear disarmament. This unique binding legal obligation, particularly as it falls on the nuclear weapons states, firmly establishes our long term goal: the elimination of nuclear weapons.

The decision we members of the NPT must make is whether to extend the treaty indefinitely or for a more limited duration. Our position is quite clear: we believe that Canadians and people around the world deserve an enduring commitment by their governments to prevent the proliferation of nuclear weapons and to pursue nuclear disarmament.

Those who argue that the NPT should not be made permanent keep open the possibility of its disappearance at some future point. This is not in anyone's interest. We must once and for all close the door on that possibility.

With the end of the cold war came an end to the nuclear arms race. It came to an end because of greater trust, openness, and cooperation between Russia and the west. That is the path to

disarmament: greater security. The NPT is essential to work toward greater security and cooperation between nations.

We cannot forget that 1995 also marks the tragic 50th anniversary of the dropping of atomic bombs on Hiroshima and Nagasaki. The great American statesman Adlai Stevenson once said that evil is not in the atom but in the souls of men. Do we need a better reason to co–operate, establish and defend international laws that curb the madness of those who would act to undermine international peace and security?

The nuclear non–proliferation treaty has served Canada well for 25 years. It is now time to enshrine those benefits for future generations.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, on behalf of the Bloc Quebecois, I am pleased to discuss the Nuclear Non–Proliferation Treaty, whose future is currently being decided in New York. The NPT is the most important international treaty on arms control.

Last fall, the Bloc Quebecois had the opportunity to state its position on the issue of nuclear disarmament, when the joint committee conducted its review of Canada's defence policy. The emergence of new confirmed and unconfirmed nuclear powers makes the issue of nuclear disarmament more complex than ever.

This is why the Bloc Quebecois strongly supports the indefinite and unconditional extension of the Nuclear Non–Proliferation Treaty. We hope that its very wide membership will be extended even more. While more than 160 nations have ratified the treaty so far, some countries which could conceivably develop such mass destruction weapons refuse to sign the treaty, thus jeopardizing the current foundations of international peace. It is important to ensure the continuity of the treaty and to improve its efficiency.

• (1510)

It is possible to convince countries to do without nuclear weapons. In the past, at least four countries, namely Canada, South Africa, Brazil, and Argentina, made efforts to that end. Would it not be more efficient, and a lot more attractive for the world, to work on a multilateral agreement to eliminate such weapons, as was recently done for chemical weapons?

While the Secretary of State, Asia–Pacific, was raving about the NPT and Canada, which was one of the first two signatories to that treaty, I could not help but wonder about this government's inconsistency in the conduct of its foreign affairs.

It is a well known fact that the Canadian government is now only interested in its own commercial interests, at the expense of human rights, democracy, as well as international security.

Indeed, how can the government explain the fact that it is about to authorize and to finance, to the tune of $2 billion, the sale of CANDU nuclear reactors to China? The Bloc Quebecois feels that the government should at least demand that China comply with the NPT, rather than violate the moratorium on testing agreed to by other nuclear nations.

The sale of these reactors could undermine the international community's efforts to end nuclear proliferation.

The Canadian government's behaviour is not any better, nor any more consistent, as regards the sale of CF–5 fighter bombers to Turkey. We know that Turkey is pursuing a military offensive in northern Iraq, against Kurds. We repeatedly, but vainly, asked the government to stop negotiating that sale with Turkey.

I think you will all agree that this government is not very consistent in the conduct of its foreign affairs.

The fact that it now supports the indefinite and unconditional extension of the Nuclear Non–Proliferation Treaty gives us some hope. But we urge the government to show more consistency. For example, Canada could adopt a much stricter policy on co–operation in the nuclear sector. As written, the present non–proliferation policy allows nuclear exports to non–treaty countries, as long as these countries promise not to use any material to produce nuclear weapons. There must be a stricter policy in this area, if Canada wants to be consistent with its interpretation of the nuclear threat and the outbreak of military conflicts all over the world.

Canada could also innovate by suggesting strategies consistent with its interest in international peace. In this regard, for example, concrete measures could be taken. One, concerning the export of fissile materials on which Canada has a say, notably because of its radioactive material resources and its nuclear technology expertise.

Two, Canada should submit to the international court a judicial analysis establishing the illegality of nuclear arms.

[*English*]

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, this year marks the 50th anniversary of the invention of the nuclear bomb and its first use on the cities of Hiroshima and Nagasaki, as we have mentioned.

These weapons created a new horror for humanity, the scope of which we have never known before. Upon witnessing the detonation of the first nuclear test explosion, Dr. Robert Oppenheimer, the director of the Manhattan project, in his shock and amazement at the devastation quoted an ancient Hindu scripture that read "I am become death, the destroyer of worlds".

It was true that for the first time in history man could destroy the earth, and nothing has been the same since. Not only did the atomic bomb magnify the horror of war, but it changed it fundamentally.

Throughout the centuries, civilian populations were largely left beyond the battlefield. At the very least, a conqueror or destroyer would be forced to fight its way through a country's defences before they could do significant harm to civilians. In other words, there was always a defence and hope.

With the creation of nuclear weapons, two things changed. First, civilians were no longer unintended victims; they were the primary targets, and they could be incinerated by the millions. Second, no matter how strong the country's defences were or how tough its army was it was still completely vulnerable to nuclear destruction.

• (1515)

Responding to the threat that nuclear weapons would spread across the world, the nuclear non–proliferation treaty, the NPT, was negotiated in 1970 and has been strongly supported by Canada ever since.

As the Minister of Foreign Affairs has already described its key features and advantages, I will not repeat them. However, I will say that the Reform Party will give 100 per cent support to the government in its efforts to negotiate an indefinite and unconditional extension of the NPT.

For the future of our citizens and all the people of the world Canada must be a leading voice in the UN, calling for the total elimination of nuclear weapons. No good can come from such weapons of mass destruction, and their ownership should be negotiated away by all governments in good conscience.

The Reform Party sincerely hopes that the NPT can be renewed indefinitely; however, if certain countries withdraw or fail to sign on we believe the government should take into consideration whatever action it can use to promote bilateral action against those countries.

The time has come for the world to take a few large and rapid steps away from nuclear annihilation. The end of the cold war has made this possible, and now the unconditional and indefinite renewal of the NPT is the next logical step. For our collective future we must not fail in this task.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 74th report of the Standing Committee on Procedure and House Affairs regarding the list of the standing committee associate members.

With the consent of the House, I intend to propose adoption of the 74th report later today.

* * *

[*English*]

CHEMICAL WEAPONS CONVENTION IMPLEMENTATION ACT

Hon. Roy MacLaren (for the Minister of Foreign Affairs, Lib) moved for leave to introduce Bill C–87, an act to implement the convention on the prohibition of the development, production, stockpiling and use of chemical weapons and on their destruction.

(Motions deemed adopted, bill read the first time and printed.)

* * *

[*Translation*]

AGREEMENT ON INTERNAL TRADE IMPLEMENTATION ACT

Hon. Douglas Young (on behalf of Minister of Industry, Lib.) moved for leave to introduce Bill C–88, an act to implement the Agreement on Internal Trade.

(Motions deemed adopted, bill read the first time and printed.)

* * *

[*English*]

BANKRUPTCY AND INSOLVENCY ACT

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.) moved for leave to introduce Bill C–323, an act to amend the Bankruptcy and Insolvency Act (order of discharge).

He said: Mr. Speaker, it is a pleasure to introduce this private member's bill today and I thank my hon. colleague for seconding introduction and first reading.

Earlier this year I was approached by a Vancouver area lawyer who told me of a concern he had with the Bankruptcy and Insolvency Act. The concern is that an offender can be released from having to pay any damages arising from assault awarded in a civil law suit if they claim bankruptcy.

• (1520)

The plight of the victim should take precedence over the rights of the offender. The victim in this country has suffered enough, and then to be hit with a blow that no payment for damages will be received because of a loophole in the bankruptcy act is completely unacceptable.

Many have been victimized by abusive relationships only to learn that later they will not receive the awarded damages because of a loophole in the federal statute. Fines, alimony and

fraud debt are not exempted; civil damages from criminal assault should not be exempted either. Action must be taken now to amend the flawed act.

The bill I am introducing will add to the list currently in the act under section 178. The addition will be civil damages in respect of an assault or battery on a victim. The changes will give the victim more rights. Every member in the House knows the victim certainly deserves more consideration than the convicted offender.

It is an honour as a private member to have the opportunity to introduce a bill. However, I want the government to take a close look at the legislation. I know the Minister of Industry and the Minister of Justice are interested in this. I encourage the government to take it over exactly as it is.

Canadians want Parliament to be comprised of effective policy making. The way this can be done is to support any legislation that will truly benefit the country as a whole.

Since victims of crime have no party label, I invite non–partisan support for the bill from all corners of the House.

(Motions deemed adopted, bill read the first time and printed.)

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I move that the 74th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

(Motion agreed to.)

* * *

PETITIONS

HUMAN RIGHTS

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, today I will be presenting petitions under two categories.

First, the undersigned citizens draw to the attention of the House that because of the inclusion of sexual orientation in Bill C–41 it will provide those engaging in homosexual practice with special rights and privileges.

Because these special rights and privileges will be granted solely on the basis of sexual behaviour and because inclusion will infringe on the historic rights of Canadians such as freedom of religion, conscience and expression, therefore the petitioners call on Parliament to oppose any amendments to the federal Criminal Code which would provide for the inclusion of the phrase sexual orientation.

INTOXICATION DEFENCE

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, the second petition on behalf of my constituents deals with another subject.

The undersigned draw to the attention of the House that the Supreme Court of Canada has allowed extreme intoxication as a defence for sexual assault and that this ruling has also been used recently as a defence for wife assault. This ruling is regressive to women's rights and consequently provides men with additional justification to abuse women and their children.

Therefore the petitioners call on Parliament to reverse the decision of the Supreme Court of Canada to allow extreme intoxication as a defence for sexual assault or physical assault.

JUSTICE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise to present another petition in the course of action undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

• (1525)

The petitioners I represent are concerned about making our streets safer for our citizens and are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

AGRICULTURE

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, pursuant to Standing Order 36, I have been requested to table a petition signed by 63 Canadians, of whom 9 are residents in my riding.

The petitioners call on Parliament to desist from passing legislation legalizing the use of BST/rbGH in Canada. They further request legislation be passed requiring all imports produced from BST/rbGH treated cows to be so identified.

OFFICIAL LANGUAGES

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have the honour to present four petitions today.

The first petition is on the subject of official languages. The petitioners claim the majority of Canadians are opposed to this policy and demand a referendum to determine whether Canada should continue with its current policy.

FAMILY

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition is on the subject of the family. The petitioners request Parliament oppose any legislation that would directly or indirectly redefine family, including the provision of marriage and family benefits to those who are not related by ties of blood, marriage or adoption where marriage is defined as the legal union between a man and a woman.

HUMAN RIGHTS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is on the undefined phrase sexual orientation.

The petitioners request that the Government of Canada not amend the human rights act to include the phrase sexual orientation. The petitions fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married people.

BILL C–41

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the final petition deals with section 718.2 of Bill C–41.

The petitioners are concerned that naming specific groups in legislation will exclude other groups from protection and that sentencing based on the concept of hatred is very subjective and will undermine our justice system.

I agree with those petitions.

GUN CONTROL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I have two petitions, both on the same subject, signed by over 200 residents of Canada.

These residents support the lawful and responsible use of firearms and ammunition. They state many Canadian citizens oppose laws to put more restrictions or prohibitions on legal firearms ownership rather than addressing violent criminal misuse of firearms.

Therefore the petitioners call on Parliament not to enact any further firearms control legislation, regulations or orders in council.

EUTHANASIA

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, I have the honour to present two petitions on behalf of constituents of my riding of Selkirk—Red River.

My constituents pray that Parliament continues to reject euthanasia and physician assisted suicide in Canada.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased to rise today to present four petitions from my constituency of Annapolis Valley—Hants.

The first two petitions call on Parliament to ensure the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced. The petitioners also call on Parliament to make changes in the law which would allow the aiding or abetting of suicide or euthanasia.

HUMAN RIGHTS

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, the third petition calls on Parliament not to amend the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms to indicate societal approval of same sex relationships or homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the phrase sexual orientation.

The final petition calls on Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

GUN CONTROL

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, it is my pleasure today to present three petitions. The first petition has close to 500 names on it from constituents of my riding.

The petitioners are asking that Parliament support only gun legislation which severely punishes any violent criminal who uses a weapon including a weapon other than a firearm, protects the rights and freedoms of law–abiding recreational firearms users to own and use firearms responsibly and repeals firearms control legislation which features tortuous language and has been characterized as one of the most horrifying examples of bad draftsmanship.

HUMAN RIGHTS

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, the second petition has 36 names on it.

The petitioners are calling on Parliament to put an end to discriminatory treatment in Canada of gay and lesbian citizens and their familiar relationships by amending federal legislation which currently allows unequal treatment, including an amendment to the Canadian Human Rights Act to prohibit discrimination based on sexual orientation.

• (1530)

JUSTICE

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, the third petition contains over 150 names.

The petitioners are requesting that the Criminal Code of Canada and any other relevant acts be amended so that extreme drunkenness as a defence in any criminal case cannot be used.

HUMAN RIGHTS

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition today signed by British Columbians, the majority of whom are from my riding of New Westminster—Burnaby.

The petitioners beginning with Peggy MacDonald of New Westminster pray that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights act to include in the prohibitive grounds of discrimination the undefined phrase of sexual orientation.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 171 will be answered today.

[*Text*]

Question No. 171—**Mr. Harper (Calgary West):**

With regard to the closure of Canadian Forces Base Calgary, (*a*) how much will it cost to clean up the entire base, including both barracks, training grounds, etc., to a state where the grounds could be resold or returned to the lessor, and how are those costs allocated, (*b*) what other similar clean–ups have been done, and how much did they cost, (*c*) what renovations and improvements were done to CFB Calgary in the last year, and how much did they cost, (*d*) what costs will be incurred to move all equipment and personnel from CFB Calgary to Edmonton, (*e*) what changes will be needed at CFB Edmonton to accommodate the personnel and equipment transferred from CFB Calgary, and what are the associated cost estimates, and (*f*) what additional renovations/maintenance costs are anticipated over the next 10 years for CFB Edmonton?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): The following table addresses parts (a) to (f) of the question posed:

		($M)
a. Clean up costs	Harvey Barracks and Sarcee Range, Budget 94[1]	40
	Currie Barracks, Budget 95	3
Total		43
b. Similar clean–ups	Summerside	0.9
	Cornwallis	0.2
c. Renovations at Calgary last year	Maintenance, roof repairs, etc.	3.8
d. Personnel and equipment move costs	Budget 94	11
	Budget 95	8
Total		19
e. Edmonton construction costs to accommodate personnel and equipment transferred from Calgary	Budget 94	21
	Budget 95	100
Total		121
f. Maintenance/renovation costs at Edmonton for next 10 years	As the majority of infrastructure will be new or newly renovated as of 1998, it is anticipated that little capital investment will be required over the next 10 years in Edmonton. Maintenance costs will be similar to CFB Calgary, approximately $2 to $3 million per year	

Note: [1] Environmental clean-up is a condition of the lease for the aboriginal lands. Clean-up must be done whenever the department vacates the land. Delay in this area would increase the cost.

[*English*]

Mr. Milliken: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): Before proceeding to orders of the day I wish to inform the House that pursuant to Standing Order 33(2) Government Orders will be extended by 13 minutes because of the ministerial statement.

GOVERNMENT ORDERS

[*Translation*]

CODE OF CONDUCT

The House resumed consideration of the motion and the amendment.

The Acting Speaker (Mr. Kilger): Resuming debate. I give the floor to the hon. member for Glengarry—Prescott—Russell, who had approximately 12 minutes left.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I would like to conclude the remarks I had started a little earlier today regarding the whole issue of public morality. It has to be pointed out in this debate that the whole issue had been left lying around for a few years under the previous administration. Of course, as the old saying goes, what is left lying around gets dirty. It is true.

Legislation was introduced in 1987 as Bill C–114. It was then reprinted as Bill C–46, reprinted again as Bill C–43 and referred—in 1991—to a parliamentary committee. The committee put forward, in its report dated June 1992, a new draft bill. The government used that draft, together with our recommendations, to introduce new legislation, i.e. Bill C–116. The new bill introduced in the House by the government was found lacking, but the minister responsible, Harvie Andre, refused to amend

the bill to make it acceptable, with the result that the whole issue was dropped. No wonder some people think that legislators did drag their feet on this issue. It is true.

I do not intend to deny what happened. I took part in the discussion and sat on the committee examining Bill C–116, and I realized that so much time had gone by that some documents were becoming badly outdated. For example, the report of the Parker Commission on the dealings of Sinclair and Noreen Stevens was just about forgotten and we did not have a clear recollection of its recommendations. It was not easy to examine the whole issue.

However, the issue has not lost any of its importance and we must deal with it. That is why I congratulate the House leader on this motion. Hon. members will remember that the red book stated quite clearly that this issue and that of lobbying would be discussed.

We have dealt first with the lobbying issue. I congratulate all members who contributed. They did a great job. The bill has now reached the third reading stage in the House, and I am sure it will be passed in the next few days. We are now ready to move to the next issue, that of a code of conduct and a conflict of interest code for members of both Houses.

• (1535)

It is important to examine that issue right after concluding committee hearings on lobbying because both issues are related to a certain extent, which is a good reason to proceed right away. Also, it is important for the government to act now in order to show the public that it definitely intends to settle these issues and not to drag things out, as we saw under previous governments.

By introducing this bill, the government is acting with good intentions. As our House leader said earlier, all kinds of questions will be raised. I remember Bill C–116 and all the errors it contained. It was so badly drafted that people under one set of rules were subject to another set and vice versa.

You have to remember that this whole conflict of interest issue really affects three groups. First, there are the members of Parliament and the senators, the so–called ordinary parliamentarians. Then, there are the parliamentarians who are also public office holders; in other words, the ministers and parliamentary secretaries. Finally, there are the order in council appointees, or the top brass of the public service.

So, you have these three groups and then you have a very interesting area, the one where some parliamentarians are also public office holders, because under the Westminster parliamentary system in use in Canada and in several other countries, members of the executive branch of government sit in the House. They are both ministers and parliamentarians. Under such circumstances, you have to determine which system they will be subject to. Will they be subject to the rules applying to public servants and other public office holders or to the code developed for parliamentarians? This was an interesting question which was examined by the committee studying Bill C–43 and then Bill C–116.

We concluded, or rather the government at the time concluded, since our recommandations were slightly different, that the system applying to public servants had to apply at the same time to ministers and other public office holders who are also parliamentarians, but that for backbenchers there should be a separate system. The reason for this type of distinction is simple; it is because a system administered by the government cannot bind members of Parliament.

I find it difficult to imagine that the hon. member for Bellechasse, for example, would agree to be judged by a system reporting to the Prime Minister. Indeed, I would not blame him for refusing. I would not agree to it myself if I were a member of the opposition. Consequently, what we need is a committee reporting to the House to judge conflict of interest cases for parliamentarians.

But, of course, at the same time, we must establish a system by which the member for Bellechasse or another member may ask questions of the Prime Minister concerning the conduct of ministers, questions like the following: "Mr. Prime Minister, since you are the boss, how can you tolerate such and such an action by one of your colleagues and what measures will you take?"

• (1540)

Of course, in a case like that, we would not expect the Prime Minister to say: "No, I am not in charge of these cases, an officer of the House is". The Prime Minister must have the authority to take the necessary disciplinary measures and he must also be responsible in order to be in a position to answer the questions asked by all those who want to make our Parliament accountable, as they have the duty to do.

We will examine issues such as these in our committee. We already know that, in this House, it will be the committee on procedure, of which my colleague opposite, the hon. member for Bellechasse, is a member. Since he is a law professor, I know that he will be able to bring significant input to the work of that committee, as will several other parliamentarians. They will all help us produce a code of conduct that is both acceptable, so that people are not discouraged from running for public office, and strict enough to ensure good conduct and public morality.

I recognize that it is not always easy to rule in this area. I had to deal with such cases for several years when I was the opposition critic for government administration. I look forward to the proceedings of the committee.

But I disagree with some hon. members from the opposition who want to exclude from the committee members from the other place.

I must tell you that the code of conduct has to apply not only to members of the House, but to senators as well. I said it at the beginning of my speech and I will say it again, I ask members who propose that senators not be included in this exercise to reconsider their position because we may be talking about amending the Criminal Code, the Standing Orders of the House, the Rules of the Senate and the Parliament of Canada Act. These laws and some of these rules need to be amended by both houses of Parliament. I am sure that members opposite know that, as does the member for Bellechasse.

So we have to work together to be able to make the necessary changes to the rules in this place and in the other place. Why would we want to adopt a code of conduct regarding conflicts of interest for the members of this House and exempt the members of the other place? I have to tell you that I do not understand why people would want to do such a thing. As a matter of fact, just recently, some members opposite asked questions about a member of the other place who allegedly found himself in a conflict of interest situation or something like that. We know that it was not true, that the allegation came from the media and that the reporter who made the allegation had to retract, but the fact remains that such questions were asked.

That proves that both houses of Parliament must work together to make better rules. That is what I intend to do personally as a parliamentarian who is interested in this issue.

Therefore, I urge the official opposition to withdraw its motion to exempt the Senate from the rules that we want to adopt for parliamentarians.

[*English*]

I hope we work together to arrive at a good code of conduct for members of both Houses of Parliament. In so doing I hope, because it is not the whole picture, that in part we will contribute toward a better acceptance and a better view by Canadians of what we do to govern the country honestly and appropriately. I am sure that is the intention of all members of both Houses.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, it is extremely important that members of Parliament have some clearly defined rules for dealing with lobbyists. It is important that the Senate have this as well but perhaps it is not incumbent upon this House to enact rules for the unelected Senate. It first has to clean its own house and then develop its own rules.

• (1545)

Lobbying has long been one of those grey areas where the concept has been accepted but frowned upon depending upon who was actually doing it. If organizations such as firefighters lobby to make Parliament aware of problems within their profession, it is considered to be quite acceptable. If business lobbies for a particular advantage, then it becomes less clear. If that business lobbies using its own existing personnel, it is generally considered more acceptable than if it hires somebody to lobby on its behalf.

There is a bit of hypocrisy in this attitude. Lobbying is either right or wrong. We should not be making judgments based solely on who is doing the lobbying. This is one of the first issues that Motion No. 23 should address.

Another area of lobbying that needs to be addressed by Motion No. 23 is what constitutes excessive lobbying. If lobbying is a legal activity with no definition as to who can do it or how much can be done, how can any level of activity be considered excessive under the current unregulated structure?

A lack of specific guidelines for elected members and for that matter the lobbyists themselves have caused many problems for both. It is appropriate to spend some time reviewing one of those problems.

During the 1993 election the Liberals took aim at the Pearson Development Corporation contract to redevelop terminals 1 and 2 at Pearson International Airport. The main hue and cry that they raised was that of excessive lobbying which led to a largely patronage deal which should be cancelled.

Was this contract an example of excessive lobbying? Did that lobbying lead to a patronage deal? To determine this, let us start at the beginning.

Terminal 3 had already been privatized and there was no particular objection to this. In September 1989 the Matthews group submitted an unsolicited bid for the privatization of terminals 1 and 2. The proposal was not accepted. Two and one–half years later in March 1992, the government issued a request for proposal for the privatization of terminals 1 and 2.

One of the Liberals' claims was that the original bid was a form of lobbying and that the original proposal gave the proposers an unfair advantage in their bidding in 1992. If the request for a proposal had followed on the heels of the unsolicited bid, there may have been some justification for such an argument.

Two and one–half years later, a claim such as that is totally invalid. Although there were and still are no guidelines for lobbying, the Liberals pushed forward with their claim that lobbying in the Pearson contract was excessive. This brings me back to my earlier question, how can lobbying be considered excessive to the point of justifying the cancellation of a contract if there are no guidelines to compare it to?

A motorist was driving down the street at the legal speed limit on a clear day when another driver pulled out in front of the motorist and a collision occurred. At the inquiry after the accident it was determined that the speed limit followed by the

first driver was too high given the limited visibility for vehicles entering the street in that area.

The inquiry recommended that the speed be reduced. This does not make the first driver guilty of speeding. The speed limit cannot be retroactively reduced. This, however, is exactly what the Liberals were trying to do with regard to lobbying in the Pearson contract.

There is no definition of excessive and no evidence that there was any abnormal amount of lobbying in the pursuit of the contract. The Liberals, who by this time had formed the government, cancelled the contract citing excessive lobbying and resultant patronage.

At the time of the last election the Pearson contract was very controversial. Allegations of excessive lobbying and patronage flowed freely. Prime reasons for these accusations were not those directly involved in the contract. Rather, it was the fact that it was put together by the Mulroney government which was by then looked upon as unscrupulous and possibly corrupt.

The Pearson contract was a victim of election rhetoric, which I was caught up in as well. I was one of the voices that questioned whether or not the contract holders were entitled to any compensation if the accusations levelled against them were true.

The leader of the Liberal Party stated that if the Liberals formed the government, they would review the contract process and cancel that contract if they found problems in the process. So far so good as far as I was concerned.

As promised, the new Prime Minister set out to review the contract. For that purpose he appointed Robert Nixon as the sole person responsible for carrying out the 30–day review. Nixon was a long time Liberal Party supporter, father of a sitting Liberal MP and was rewarded for his $80,000 report by being appointed chairman of Atomic Energy of Canada, not exactly an auspicious beginning for a party decrying claims of patronage regarding the signing of the Pearson contract. The Nixon review did not interview under oath, talked only to certain people excluding some of the principals involved, and did not allow an opportunity for any of the testimony to be rebutted.

• (1550)

The report stated that the deal was bad and should be cancelled but did not produce one word of evidence to support that claim. Again the general allegation of excessive lobbying was raised as one of the major justifications.

The Nixon report was the rationale for the Liberal's Bill C–22 which not only cancelled the contract but allowed the government to decide for itself who got compensated and how much they got. It also allowed the government to insinuate the deal was crooked because of tactics such as lobbying without allowing the accused to clear their names and reputations in a court of law.

This is a very interesting strategy for the Liberals and it would have worked was if not for all the evidence to the contrary that started to surface. At that point they tried to expand their rhetoric to suggest that it was not a good deal financially but the evidence does not support this either.

The legislation was subject to a debate in the House of Commons. When it reached the committee stage, I started to realize that the flaw in the process may not have been in the awarding of the contract but rather the way in which the contract was cancelled. Many of the witnesses requested by either me or the Bloc representative did not appear and the Liberal dominated committee refused to press those people to attend.

The most significant person to be requested and not appear was Robert Nixon. In his case it was not a matter of not showing up but rather a refusal of the majority of the committee to invite him. The committee response to the request was: You have his report, what do you need him for?

One witness of note who did appear was Sandy Morrison of Air Canada who was the main anchor tenant in the contract. Air Canada spoke strongly in favour of the contract and requested that it proceed as quickly as possible.

By this time it had been decided by the government to set up another Liberal long time supporter and former law partner of the Prime Minister, Robert Wright, to review the compensation claims and to make a report to the minister. From this report the minister would decide who got paid and how much they would receive. Compensation was to be limited to out of pocket claims only with no consideration of any further request including lobbying costs and third party claims against the Pearson Development Corporation.

The report and the decision would be confidential and would be protected from access to information by making it a cabinet document which is protected for 20 years. I questioned why this process was bypassing the transport committee and cloaking itself in secrecy. I did not receive a satisfactory answer.

I believe it is proper that we examine the results of the Liberals' false vendetta against the Pearson group so that we can fully understand the importance of lobbying guidelines and what happens when no such guidelines exist.

As I earlier stated, when it appeared the accusation of excessive lobbying alone would not be enough to justify the cancelling of the contract, the Liberals then tried to suggest it was not a good financial deal to cover up the fact that the real

reason for cancelling the deal was political gain. As evidence later showed, the Liberals knew from the very beginning that it was not a bad financial deal but they had painted themselves into a political corner and they did not know how to get out.

Through access to information, I came into the possession of a secret government document dated October 29, 1993, supplied to Robert Nixon for his review of the Pearson contract. This document was supplied by William Rowat, associate deputy minister of transport. In that document it is clearly stated that the rate of return to the crown from the contract is considerably better than the crown construction option and that the Pearson Development Corporation return on investment was endorsed as reasonable by both the Department of Finance and an independent financial consultant hired by the government.

A second government document dated November 4, 1993 later appeared through court disclosure which further elaborates on the financial feasibility of the contract. This second document was also used to give direction to Nixon. It pointed out that in order for the crown construction option to generate revenues equivalent to the private sector deal, a real revenue growth factor of 10 per cent per year until cost recovery was completed would be necessary.

Historically speaking, the government management growth in revenues has been at or below inflation, projected for the purpose of the analysis at 3 per cent per annum. Using a more realistic real revenue growth rate of 3.5 per cent per year, the crown construction option would have realized $250 million less over the term of the contract than through the privatization method.

• (1555)

The second government document also discusses the possible cost of cancelling the contract. The options identified are: negotiate or expropriate, which leave the government open to damages ranging from $500 million to $2 billion; or legislate, which could limit the government's liability but leave it open to many more potential problems including severe capacity and congestion problems, increased costs and the undermining of government leasing and contracting processes if it is seen as a precedent.

The document also discusses the possibility of renegotiating or restructuring the contract, but it makes it very clear that this is not a desirable option. Nowhere in that document does it suggest that Nixon should examine the deal to see if it is clean and if so, to recommend that it proceed. From this it seems very obvious to conclude that Nixon was directed toward a very specific outcome.

I have never questioned the government's right to cancel the Pearson airport contract. In light of all the information that is now available, I might question the wisdom of the cancellation, but not the right to do so. With that right goes an obligation to see that justice is done, which does not appear to be happening in the handling of this contract.

All of this has been initiated by the Liberal government which was looking for an election issue and seized upon Pearson airport as a viable victim. It utilized a lack of any lobbying guidelines as a way to try to justify its actions. What is the impact of this flagrant attempt to utilize the lack of lobbying guidelines? It can be looked at by a complete factual and documented review of the impact on Pearson airport.

I will pass over commenting on that part because I will be short of time. There is so much evidence on this contract, but I have to move along.

Allow me to mention another aspect of this whole process in which the fact that the Pearson International Airport is involved at all is wholly coincidental. That aspect is the rule of law.

Under Bill C–22 the government is allowed to cancel a signed contract and decide for itself who gets what compensation. It also allows it to insinuate that the deal and those involved in it were crooked without allowing the accused to clear their names and reputations in a court of law.

What that government action does is pronounce a group of Canadians guilty until proven innocent and then removes their right to prove their innocence. This action relates much more to a dictatorship than it does to a democracy.

All of this started as a result of an opportunity for the Liberals to seek political gain by utilizing the fact that there were no guidelines for dealing with lobbyists or lobbying activities.

Motion No. 23 will not only provide clear and long overdue guidelines for all MPs when dealing with lobbyists, it will protect the public from unscrupulous action by a political party. It may even protect the Liberals from their own tendency toward election rhetoric.

[*Translation*]

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the goal of the motion before us today is to strike a special joint committee of the House and the Senate to review the weighty issue of parliamentary ethics.

We are counting on this committee to establish a practical and realistic code of conduct which will help balance the official responsibilities and personal interests of MPs and Senators. This issue obviously affects each member of this House personally while having a wider, much more fundamental scope: it also affects all Canadians. Our conduct as individuals and as a group, in fact, determines the level of confidence that Canadians have in parliamentarians. The way we carry out our daily tasks as parliamentarians molds our institution's image. The trust of

those who elected us to this noble House is either earned or lost by our conduct from day to day.

The important issues of trust, credibility and ethics are at the heart of the agenda we presented to Canadians during the last election campaign.

In fact, we devoted an entire chapter of our red book to parliamentary integrity. We clearly stated the principles whereby we recognize the following: "The most important asset of government is the confidence it enjoys of the citizens to whom it is accountable". We also recognized that the Canadian government would be unable to play the constructive role which it must unless, first and foremost, it restores the integrity of our political institutions.

• (1600)

Since being elected 18 months ago, we have made considerable progress in this area. We reinforced the code of conduct for cabinet members and senior officials. We also appointed an ethics counsellor to help our officials apply these rules correctly. We drastically reduced the range of political appointments.

My colleague, the President of the Privy Council, examined the role and operations of 120 agencies, commissions, councils and advisory committees. At the end of this exercise, on February 16 he announced that 665 positions filled by order in council appointments would be abolished. He ordered 73 agencies to be closed down and 47 others to be restructured.

This initiative alone will save the government as much as $10 million annually. However, it is more than just a matter of efficiency and saving money. It is also an indication that the government does not intend to use political appointments as a way to reward its supporters.

We also reformed the pension plan of members of Parliament which for too long has been a source of controversy. Last week, there was a debate in this House on a bill that will provide a framework for the activities of lobbyists, and today, we are about to create a committee to develop a code of conduct to guide senators and members of the House of Commons.

It is this systematic, methodical and orderly approach to questions that touch on ethical issues that is now helping to restore public confidence in our political institutions.

In an impressive speech yesterday to a meeting of Liberal militants in Trois–Rivières, our Prime Minister once again stressed the importance of integrity and ethical conduct. He pointed out that after 18 months in government, no member of cabinet had resigned or been dismissed for ethical reasons. During a comparable period, the previous government saw at least six resignations from cabinet.

I am not saying we are perfect. To err is human, and errors of judgment do occur, but by acting prudently, according to clear-cut rules, we will, both individually and collectively, manage to restore the trust of our fellow citizens.

The role of parliamentarians is difficult and often complex. Society expects all individuals to be as free as possible to manage their economic interests. It also expects that those in public office will not, in the exercise of their duties, be involved in matters in which they have personal financial interests. Some feel that Parliament should enact stiffer laws, others fear that stricter rules will discourage competent individuals from becoming involved in public affairs.

We are looking for a balance. We want rules strict enough to prevent practices contravening the code of ethics and to maintain the reputation of Parliament and parliamentarians among the public. However, we do not want rules that discourage competent individuals from entering public life and serving their fellow citizens. We must strike a balance that allows us to attract the people who are best prepared and most able to lead the country and have them governed by a set of rules that will keep them above all suspicion.

Conflicts of interest are not new. They have always existed. What has changed are people's and taxpayers' attitudes and levels of tolerance.

• (1605)

We have a practical and precise code of ethics governing members of Cabinet and their staff, parliamentary secretaries and senior public servants. We have nothing, however, for members of Parliament and senators. Traditionally, the public has felt they had little importance, individually, in the decision making process. I must disagree.

Members of Parliament have increasing influence on the process. Their role in the various parliamentary committees is growing in importance. Their influence in their individual caucuses is expanding, and their votes on bills before the House is always decisive.

On each issue, in each debate, members of Parliament must reflect, analyze the effect of their decisions on the lives of their constituents and decide on their individual approaches. They are entirely free to defend their viewpoint in the legislative process. They may propose changes and amendments, they may influence their colleagues' thinking. This process of analysis and choice is repeated hundreds of times during the mandate of a member of Parliament. This is why we have a Parliament and this is why members are elected.

However, throughout our term of office, we remain full fledged citizens. We are all taxpayers and consumers. Most of us are parents and many own property. In this regard, we are very much like Canadians as a whole. We may therefore assume that

these essentially undistinguishing characteristics have very little influence on our behaviour as legislators. Some criteria are more regional or specific in nature.

Some parliamentarians share the concerns of their constituents, in areas such as agriculture, fisheries or natural resources for example. Family businesses raise some problems because they encompass a whole range of assets, profits or debts and financial interests. It is usually interests such as these which are covered by conflict of interest legislation.

Maybe we should first of all agree on what constitutes a conflict of interest. There are several definitions. Mr. Justice Parker defined the real conflict of interest as a situation where a minister—or a member of Parliament or a senator—is aware of private financial interests sufficient to exert some influence on the performance of his other official duties and responsibilities.

Therefore, rules must be defined in order to prevent the financial interests of parliamentarians from exerting an influence on the decisions they make while exercising their duties. Several control methods have been tested over the years. Some have proven to be efficient. The first one is disclosure, that is the disclosure of one's assets to a designated person. This information can then be recorded for reference purposes or be made public. When their private interests are known, the holders of public office are less tempted to act in their own interest.

Prevention forces parliamentarians to divest themselves of interests or associations which may distort their judgment, either by selling the interests to third parties with whom they are at arm's length, or by placing them in blind trusts. Finally, relinquishing these interests will prevent parliamentarians from intervening in matters involving personal gain.

Any code of ethics contains a number of such controls. It will be up to the special joint committee members to review these mechanisms and to decide whether they should apply to MPs and senators or whether it would be more desirable to resort to some other kind of control. The committee has all the latitude it needs to consult experts, and to consult with those to whom the code of conduct will apply, in order to come up with a firm, clear and realistic code. The committee will have to take into account the fact that parliamentarians carry on other activities in parallel with their legislative work.

• (1610)

Members from all parties manage significant budgets, their budget as MPs. They must use this money wisely and prudently. MPs represent the citizens of their riding. It is an important part of their mandate. This requires regular attendance and the necessary amount of time. Finally, MPs are often required to represent Canada and Parliament abroad.

These many facets of an MP's mandate raise a number of questions which the committee will probably want to review in detail. First, the committee will certainly want to set rules to avoid conflicts of interest. It will certainly want to question the judiciousness of allowing MPs and senators to pursue other professional activities during their mandate. It will also want to analyze the conditions surrounding our parliamentarians' public or private visits abroad. We want to make sure that these activities are entirely compatible with the Parliament's objectives of transparency and integrity.

The committee will certainly want to review all the rules we are subjected to at the present time. They need to be evaluated to see if they are sufficiently clear, strict and practical for every parliamentarian to be able to abide by them. Finally, the committee has been given the specific mandate to study the relationship between parliamentarians and lobbyists. I believe all members want lobbying activities to be well defined and they will be happy to implement the rules established by the committee.

The committee's task will not be an easy one. Several attempts have been made to give Parliament a code of conduct and they all failed along the way. This time however, there is a political will. This government has said its administration would focus on ethics. This time, all members of all political parties want to restore confidence in Parliament. We have all chosen to serve the public. We want to do it honestly, freely and openly. Even though they might be restrictive, the present rules of ethics governing many of us are precious tools that help us carry out our mandate in a transparent and effective manner.

Quite often, we question the pertinence of an action, the necessity of an intervention, the timeliness of an initiative. In such instances of doubt and questioning, the rules of ethics give us the information and support we need to make the right decisions.

So I ask all members of this House to support and help those who must develop that new code of conduct. Their work and wisdom will profit not only each and every one of us in Parliament, but also Canadians as a whole.

I know that the Bloc Quebecois, the official opposition, proposed an amendment to exclude the Senate from this exercise. I know very well that the position of the Bloc is to ignore the Senate, but this is not the problem today. The Senate is part of our parliamentary institutions, it completes Parliament. If we want to establish a code of conduct which will make Quebecers and Canadians look upon their politicians with confidence in all their activities, and if we want to proceed according to the rules, can we disregard the other place? We have a two chamber Parliament and until that is changed I do not believe that we can give ourselves a set of rules and leave the other place without such rules, if we want to settle this question once and for all. For the last decade or so, I think each Parliament has studied this difficult, but important issue.

• (1615)

As I said earlier, I believe that this time the government and the other political parties are willing to adopt a code of conduct. Such a code should not be an half–baked affair. It should be complete and we should support the motion of the government House leader so the Special Joint Committee of the House and the Senate can start its work as soon as possible, with a view to making recommendations that will provide members and senators with a tool which will allow them to represent the people of Canada with pride and dignity. That is why we are here.

[*English*]

I hope that by the end of the day, or whenever this debate is finished, the House can give a clear mandate to the special joint committee, supported by all parties, all members of Parliament, and the Senate, so that the committee can begin its mandate and can come back to both Houses with a full report and recommendations once and for all, after so many years.

I tried before I prepared my speech to go back as far as I could to see how many reports have been made. There are many. I know the previous government tried four bills and never succeeded.

I believe this time the government, the opposition parties, and all members of Parliament are clearly interested in solving this problem and giving a clear code of ethics. We can succeed. In order to succeed we must be united so that we can give a clear mandate to the committee. I hope when the question is put we are united in creating this special joint committee as soon as possible.

[*Translation*]

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, I have some questions for the hon. member who just spoke. He told us that in the red book and throughout the election campaign, the Liberals had called for openness and proposed the appointment of an independent ethics counsellor directly accountable to the Prime Minister. He added that the House was now considering a bill which could allow it to have a code of conduct.

My question for the hon. member who just spoke is this: Would a code of conduct have had precedence over the ethics counsellor appointed by the Prime Minister in the matter involving, on the one hand, the Prime Minister's son–in–law and, on the other hand, the decision made by the CRTC?

Would the ethics counsellor have had more power with a code of conduct to take the Minister of Canadian Heritage to task concerning the letter that he passed on to the CRTC on behalf of one applicant? He himself sent a letter to the CRTC.

With a code of conduct, would the ethics counsellor allow the government, when it calls for tenders, to accept the lowest acceptable bid?

Also, what would have happened in the case of Pearson airport if we had had a code of conduct and an ethics counsellor? Would the ethics counsellor, with a code of conduct, have prevented the Liberal government from organizing brunches at $1,000 a plate which allow the lobbyists, the following day, to knock on the doors of Liberal members?

I must say also that, compared to the red book, the Liberals are now doing the exact opposite of what they were preaching when they were in the opposition and the Conservatives formed the government.

Now that we have an ethics counsellor, with a code of conduct what happened, and what is going to happen to the 30 Liberal members who stayed in their offices because they opposed the Justice minister's firearms bill? And what is going to happen to the three Liberal members who voted against their own government and who lost their seats on various committees and commissions?

• (1620)

The main questions are: Where are the openness and the credibility of the Liberal government as far as the code of conduct is concerned? And, is the code of conduct going to prevent the members of the Bloc Quebecois from speaking about sovereignty?

Mr. Gagliano: Mr. Speaker, I will start by using the word used by the honourable member, and that is transparency. I believe that in all the points he raised and which I will try to deal with one by one, there is a question of transparency.

Let us take the decision of the CRTC which has been raised repeatedly during oral question period, over the past few days. The government established a committee which examined this issue and asked all the stakeholders to make representations. The work of the committee was made public and its decision was also made public, so that it could be discussed in the House.

Second, as the Prime Minister said, he did not take part in the discussions and decision in Cabinet. I raise this issue because it affects the members of our families. Does the fact that I have been elected to Parliament or received an appointment as minister mean that my son cannot pursue his career as an accountant?

Therefore transparency is important because it allows disclosure. The same thing applies to the famous letter sent by the Minister of Canadian Heritage to the CRTC. The Prime Minister was immediately informed of the problem. He made the letter public in this very House, and the whole issue was made public.

As I said earlier, we are all humans and a code of ethics or an ethics counsellor will never solve every problem entirely. The

important thing, however, is the will to ensure that things are done with transparency and honesty.

That is what this government promised to do in its red book and this is what it has done since its election on October 23 or since the day the government was formed on November 4.

The disclosure of information on politicians is very important because it will ensure that nothing is kept hidden and that transparency becomes a fact. We will thus avoid criticism and we will make our decisions in accordance with the rules of disclosure and transparency.

It is not easy. Our task today is very difficult. We have to make decisions and pass judgments. People will watch us and will also pass judgments. Therefore we must be logical and transparent in our actions.

Therefore I can say to the hon. member that I am proud of the 18 months of Liberal government under Jean Chrétien. Furthermore, despite the list mentioned by my colleague, this government enjoys the highest rate of popular support recorded since polls were begun in Canada.

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, once again, the government is hiding behind a motion. Does it ever like to delay proceedings in the House! A motion to create a committee to conduct another study. For more than 20 years, almost 25 years, various attempts by successive governments have met with repeated failure.

Had the government even the slightest political will to find a solution to the issue of conflict of interest, it would not have been satisfied with a vague motion to create a committee, but would have tabled a public bill improving on the ones that failed in the House.

• (1625)

The hon. member for Glengarry—Prescott—Russell mentioned Bill C–116 earlier, which finally died on the Order Paper during the previous 34th Parliament. It would probably have been possible to rewrite and refine Bill C–116 with the government policy, while taking into account the views of the opposition. But no. We are being proposed today a motion to create a joint committee made up of eight senators and 14 members of Parliament.

Fortunately, the amendment moved by the hon. member for La Prairie proposes that the committee no longer be a joint committee, but a House committee made up only of members of Parliament. The member for La Prairie even changes the membership; there would be 12 members of Parliament: seven Liberals, three members from the official opposition and two from the second opposition party, which seems fair and reasonable at first glance.

We do not need a joint committee. This House, which is made up of elected people, has its own rules and its own vision of things, while the Senate, which is made up of non elected people who are in office until the age of 75, also has its own different way of seeing things, a way with which we are not always comfortable working. Had the government wanted to involve both Houses in the development of a code of conduct, the best way of doing it would have been to table a bill. Of course, both this House and the Senate would have had to pass this bill before it could receive Royal Assent.

Instead, the government decided to create a working committee, another one. If we are to create such a committee, we should at least let the elected members study, by themselves, what constitutes a conflict of interest in their case. After all, after a maximum of five years, these people must go back to their constituents. They are accountable for their actions; they must explain why they took such and such political decisions. We should have this right, since our colleagues in the Senate do not have this sensitive test to pass. All they need is the Governor General's signature to be in office until the respectable age of 75.

Perhaps it could be interesting to get the other place's point of view, but certainly not in a joint committee. Moreover, such a committee would probably resurrect five Conservative senators whose party was literally eliminated by the Canadians in the October 1993 election and does not have official party status anymore in this House. It would be a way to give back a voice to people that want to be heard, these days. Last week–end, they stated their case in Hull, and with this motion, they would do so in a joint committee made up of members of Parliament and senators.

If nothing but to respect the will of the people, we should reject the creation of a joint committee. The referendum on the Charlottetown accord showed that the people rejected the Senate reforms, particularly in Quebec. The idea of a triple E Senate, that is equal, elected and efficient, was certainly not endorsed. The proposal was for six senators per province, regardless of the size of the province, and it was rejected.

Now, the government party wants an elected Senate, while the Reform Party wants a triple E Senate, which means that there is disagreement on the number of Es. For our part, we want a triple A Senate, that is to say abolished, abolished and abolished. No other institution in the world is denounced by as many people as is this other place we have in the Canadian Parliament. There is no reason for a non–elected house to continue to exist in 1995. Perhaps there was a need for it in 1867, but before 1867, the two Houses we had in the Province of Canada were elected. The legislative assembly of the Province of Canada was an elected assembly. Starting in 1854, the legislative council, which had been an appointed institution since 1840, became an elected one. This means that until 1867, we had two elected Houses. What

happened in 1867 that caused this split, with one house, the House of Commons, being elected, and the other, the Senate of Canada, not?

• (1630)

The preamble of the British North America Act, or BNA Act, 1867, can shed some light on this. In 1867, it was stated in this preamble that the Dominion of Canada wanted to have institutions similar to those of the United Kingdom. What were these institutions in 1867, and what are they still today? The House of Commons, like in Canada, and the House of Lords, made up of peers. Because we did not and still do not have an aristocracy in Canada, we invented our own lords, whom were called senators. Originally, they were appointed for life. But in 1965, the Canadian Constitution was amended so that a senator's tenure of office ends at age 75, while grandfathering the rights of those who were already sitting in the Senate at the time but had not yet reached the age of 75.

Since then, as we can see clearly, the role of the other House has become less important. The Senate now sits some 40 days a year and cannot introduce money bills under section 53 of the 1867 British North America Act. The house of sober second thought likes to drag things out, as demonstrated by the electoral boundaries readjustment bill, the GST legislation introduced by the previous government and other bills that may be filibustered by the other house in the future. Given the cost to Canadian society, I think that we could do without it.

If we asked Canadians, "Do you agree that the Senate should be abolished?", a very high percentage of them would say yes. The problem is, what should we replace it with and how should it be done? Responses vary. There is no consensus on replacement.

I, of course, am eager to support the amendment tabled by the hon. member for La Prairie to restrict committee membership to members of the House of Commons. If the Senate wants to strike its own committee, it will do so.

The hon. member for Glengarry—Prescott—Russell said a little earlier this afternoon that our institutions, including Parliament, were based on the Westminster model, while the hon. member for Saint–Léonard made some comments to that effect.

I heard earlier today our colleague, the hon. member for Elk Island, point out that we ranked 36th in the public's esteem, just before used car salesmen. It is probably because we have to defend a used system that should be refurbished, a system that, in the past 50 years, has seen a virtual takeover of the legislative power by the executive power. That was not the case previously, as we can see by looking at history. When our parliamentary ancestors fought to abolish or appropriate royal powers, they insisted that these powers should be held by the House of Commons.

• (1635)

Over time, royal powers shifted from the palace not to the House of Commons but to the Prime Minister's Office. It is there that important decisions are made.

In our constitutional system, which consists of three powers: the legislative, the judiciary and the executive, the legislative branch is, for all practical purposes, under the control of the executive, which in turn is under the control of the Prime Minister's Office.

We have the advantage, and sometimes the disadvantage, of having a neighbour that has inspired us to reform. Our American neighbours have inspired us to carry out some institutional reforms that may not be in our best interests. In a system in which the executive is elected and accountable to the population and not to the American Congress, a system in which members of the House of Representatives and the Senate are elected and not accountable to the executive, the situation is quite different.

In the U.S., what did the political parties decide to do? They decided to choose their party leaders, their candidates for the presidential election, at an all–members convention. We adopted this idea in Canada, so that some of our party leaders are elected by delegates at a general convention while others are elected by all party members.

In principle, this is great, but when we want to apply this to our parliamentary institutions, we face a big problem. The problem is that, when the party leader is also the Prime Minister, the party leader has practically unlimited power. First, to his cabinet colleagues, he can say: "Look, if you are here, it is because I appointed you". To his caucus, he can say: "I do not feel very accountable to you. After all, you are not the ones who elected me party leader. I am accountable to the party members who elected me". The problem is that supporters have no control over what the government party does.

You will see self–congratulatory conventions like the one held in Trois–Rivières, of course, but no real debate on party policies. The intent of the Constitution Act, 1867, was to have institutions similar to those of the United Kingdom. In Great Britain, the Prime Minister is elected by his or her peers. This means that the party leader is elected from within the caucus, *primus inter pares*, as the Latin saying goes. This was a much more subtle way of governing and a much more equitable one, since the Prime Minister was accountable first and foremost—and in Great Britain this is still the case—to his colleagues or peers.

The role of member of Parliament is all the more important, since members can ask and expect to obtain from their leader the answers they need to continue to support that leader. The Prime Minister's seat is probably more precarious, more of a hot seat in the British system than in ours, where one can wash one's

hands by telling the caucus: "You did not elect me". In fact, under our election law, the Prime Minister can even designate candidates himself, over–ruling the electoral conventions in the various ridings.

Imagine all the power in the hands of just one person. That person appoints cabinet members, ultimately decides who gets the top jobs in the public service, decides who is appointed to the bench, as well as who can run under the party's banner. That is a lot of power in the hands of just one person.

The time has come for a major review. I am not sure if the hon. member for Saint–Léonard was being ironic earlier when he referred to the important role of parliamentarians. Let us not forget that never before was Parliament controlled to such an extent by the executive level.

• (1640)

When we voted on Bill C–68, three Liberal members opposed the legislation, thus breaking ranks with their government colleagues. All three lost the positions which they held in parliamentary committees. And the member for Saint–Léonard has the nerve to tell us that we must respect the parliamentary institution. Was that institution respected then? We have to wonder.

True control is not exercised by MPs. If the government wants to give some control to members, it must first get rid of the executive level in this House. We do not need it here; let it go to Rideau Hall or on Sussex Drive, if there is room. It is quite possible to change the system so that a member's ultimate goal, his or her greatest ambition, will be to be the best possible member. There should be no incentive to eventually become a parliamentary secretary or a minister. Members in this House should have no ambition other than to be able to say: I was the best possible member for my riding. The prospect of future promotions should not be a factor.

Those who want to serve at the executive level can certainly do so. However, let us be careful not to mix the two levels, particularly in this House. We all know the perverse effects of this confusion between the legislative and the executive levels. It is high time we distanced ourselves and shifted more toward a congressional type of decision, adapting it, of course, to our way of thinking, to our practices and to our traditions by regulating the activities of lobbyists, the influence peddlars, in order to control them.

The real issue is not members' powers or conflict of interest. We already have Standing Order 21, which provides the following, and, with your permission, I will quote it:

> No member is entitled to vote upon any question in which he or she has a direct pecuniary interest, and the vote of any Member so interested will be disallowed.

The criterion is there; it is basic. When problems arise, we have the Standing Committee on Procedure and House Affairs, previously the committee on privileges and elections, which is empowered to hear all matters that may arise pertaining to a member's status or conflict of interest.

The committee has only to exercise its powers. Nothing is stopping it. If problems are brought to the attention of colleagues in the House, they may be raised, and the Speaker may determine prima facie that there is justification for their referral to the Standing Committee on Procedure and House Affairs.

The mechanisms are already in place. Why create more? It would probably be enough to have something more flexible at the level of the Standing Committee on Procedure and House Affairs so we could have our committee on the rules of ethics in order to improve our operations. It would be much wiser and better advised to control the goings–on in the Prime Minister's office.

The government is currently behaving like Nero. Legend has it that Nero played his fiddle while Rome burned down. Similarly, while the government fails to follow its own policies on ethical conduct, while the Prime Minister himself tells us that he did not consult his ethics counsellor before taking certain decisions, we are being told that parliamentarians must be watched.

But let us avoid diversion. Diversion may be a very useful tactic in a hockey game during the last few minutes of third period, in order to stop the opponent from scoring a goal. In politics though, diversion tactics should not be overused. I think that we have gone a little too far. Recent cases like that of DirecTv show that mere parliamentarians are not the ones intervening to change decisions. Obviously, people from outside the House are making direct representations to either the Prime Minister's office or to the Minister of Canadian Heritage.

Let us start by really enforcing a code of conduct throughout government, at the ministerial and the executive level. Then it will undoubtedly be time to examine the ethics of the members of this House, the legislative branch of our constitution.

• (1645)

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened very attentively to the comments of the hon. member for Bellechasse.

I have some difficulty with the reluctance of his party to include the upper house in the debate. It concerns me because I think it concerns the people of Canada. There is a lot of reflection on what is happening in the Senate and if taxpayers' money is being properly spent.

One of the areas of expenditure is the Senate, the senators and their staffs. I have some misgivings about the Senate. It appears

to me that at the present time we are not going to be able to deal with reconstituting that place. However, this provides us with an opportunity to revisit possibly the attendance of senators and how they are carrying out their affairs.

The proposal the government presented today provides us with an avenue to revisit that. Could the member reflect on the fact that there may be a high degree of merit in including the senators in this legislation?

[*Translation*]

Mr. Langlois: Mr. Speaker, in responding to the hon. member for Durham, I would like to remind him of what I said earlier. If the government had wanted the senators to be involved, it would have tabled a bill that would necessarily have been considered in this House and then have gone to the Senate. That was the best way to involve both Houses.

When the government does not want a bill but simply wants to create one more task force, one too many, my position is: Let us create a committee of members of this House, a committee of elected representatives. We should not mix elected representatives with those who are not elected, people who have to go before the electorate every four or five years with those who never have to run on their record. In a democracy, Mr. Speaker, and I say this through you to the hon. member for Durham, in the kind of system we have, a non–elected House where no one is accountable to anyone except to the provisions of the Criminal Code is an anomaly. And that was my message just now.

I realize the hon. member for Durham put a question mark after his comment. He said: Perhaps I did not quite understand? Perhaps I did not get it? I hope that, with this additional information, he will understand that we should not mix elected representatives with non–elected individuals. I am not saying that the Senate should not examine these issues if it wants to. However, the Senate has its own rules, its own board of internal economy which operates differently from ours. Although it does have a budget to administer, it has different rules. We, through our own Board of Internal Economy, set much stricter rules than the Senate does through its board.

My point is, we are constantly putting our seat on the line. Every day, we are accountable to our constituents for what we do. Mixing ingredients that are not terribly compatible to start with, what with Liberal members, members of the Bloc and the Reform Party, and adding a dash of Tory senators to boot, is not really a recipe for success.

[*English*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Mercier—job creation.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is with pleasure that I rise today to speak to Motion No. 23, that a parliamentary committee draft a code of conduct for MPs and lobbyists, and also support the Bloc amendment.

• (1650)

The intention of the motion to reconcile official responsibility with personal interests, including all dealings with lobbyists, is the responsibility of parliamentarians only. Senators, as appointed officials and not elected, should develop their own code of conduct, giving consideration to their current activities with lobbyists.

It is about time. The government ran on a platform that said: "The most important asset of government is the confidence it enjoys of the citizens to whom it is accountable. If government is to play a positive role in society as it must, honesty and integrity in our political institutions must be restored". That is right out of the Liberal red book.

The record shows that the activities of the government's ministers and departments subsequent to the election of 1993 have been inconsistent, indecisive and confused, resulting in serious flip–flops in terms of outcome. For a culture to endure and prosper it must safeguard its principles and procedures. Ethics in action will cause that to occur.

I want to focus in particular on the Minister of Canadian Heritage and his record of conduct beginning in March 1994. I do this because it tracks a saga of questionable judgment and inappropriate interference involving four separate incidents. Ethical guidelines provided to him quite likely would have offset the many concerns that have arisen over the grave errors in judgment that have occurred. However, before I do that, consider the following as a frame on which to build an ethical structure.

Public office holders must act with honesty and uphold the highest ethical standards so that public confidence and trust in the integrity, objectivity and impartiality of government are conserved and enhanced. As well, anyone holding public office should not step out of their official roles to assist private entities or persons in their dealings with the government where this would result in preferential treatment to any person.

The issue here is not whether ethical guidelines should become a requirement or wondering if elected federal officials even have a choice any longer in this matter because Canadians expect honesty, integrity and accountability from their politicians.

Clearly the issue is a search for broad, lasting, moral guidelines gleaned from the complex real life ethical situations in politics that are at once imaginative, meaningful and legislatively sound.

Anyone who would be ethical has the problem of knowing what his or her standards are. People tend to think of themselves as moral. That they tend to overrate their ethical competence becomes apparent when they find themselves doing the same thing of which they disapprove. Often a substantial gap separates the ethical norms people verbalize and those they use in making their decisions, which tells us more about how ethical a person is.

Verbalization or action? This is a question that Canadians should be asking every time the government makes a decision. Even the Prime Minister has said this is the case, in particular, of ministers who must remain above reproach at all times and in all of their activities, whether it be as ministers, members of Parliament or private citizens. That is the burden of public office and one that we all gladly accept.

I turn my focus to the questionable actions undertaken by the Minister of Canadian Heritage, once again to exemplify this issue of guidelines and standards of ethical behaviour. As I mentioned, four incidents haunt the minister, questioning not only his integrity but also that of the government.

In March 1994 the sale of Ginn Publishing Inc. to American interests evoked outrage on this side of the House. That transaction was the litmus test of the government's commitment to parliamentary reform and to open parliamentary process. The sale should have been investigated but was not. A review should have been undertaken by a parliamentary standing committee but was not. No ethical guidelines were in place at the time to resolve this.

• (1655)

I sent a letter to the Prime Minister asking five questions. That letter with those five questions was never acknowledged. I conclude from this that either no one knew how to answer my questions, or if known, there was no desire for full disclosure.

Whatever the case, the only way to get clear answers was for a public investigation because we had no ethical guidelines. Such an investigation would have answered the preceding questions and the five I put to the Prime Minister. I want to repeat these again, because they are important in a discussion of clearly established ethical guidelines.

First, how can the government explain the contradictions evident in the sale with the red book policy on the protection of Canadian art and culture? This is a simple question but there was no response.

Second, how does the government explain the offers to purchase Ginn by several members of the Canadian business community during the period from 1989 to 1994?

Third, what happens to the Canadian publishing industry after February 15, 1999 when Paramount's investment agreement ceases? These are important questions concerning the guidelines we are going to establish hopefully with this parliamentary standing committee.

Fourth, why was a specific job loss figure not included in the press release of February 18, 1994? That is also important, given the considerations that will be coming later. Canadians are still asking questions relating to the Ginn affair because none of this was put to rest.

Fifth, how can the government ignore the provisions of the Investment Canada Act and undertake a private agreement which precludes the sale of a Canadian firm to a foreign company except in extraordinary circumstances?

Over the last couple of weeks we have seen the Investment Canada Act creep up into our problems in the House of Commons. There is no delineation with respect to clearly defined ethical guidelines. How are we going to deal with these matters?

Reform supported the notion of an investigation to allow for freer competition in the Canadian cultural marketplace. The issue was not about protecting Canadian culture from within or from being co–opted by foreign cultural influences from without. It was ethics of procedure, allowing the market to run its due course without needless and harmful protection or undue government regulation. The government should have asked them whether it was the rhetoric or the action that would be remembered.

The ensuing debate should have clarified the minister's involvement but did not. Rather the government invoked closure and thus began to grow a blight on the minister's judgment. What was the ethical criteria on which he made his decisions?

In October 1994 the matter of undue influence from the minister arose over his intervention in a CRTC licence application. Even the Prime Minister at that time admitted his error not only in action but also judgment. This is another example where had ethical guidelines been in place they would have saved us a lot of unnecessary grief.

His actions compromise the integrity of government as well as the CRTC decision making process. As a quasi–judicial body, the CRTC's role remains quite independent of government. The Prime Minister said on October 31, 1994: "When a representation is sent to the CRTC, it is a public document".

From September 1993 to October 1994 the CRTC held 18 public hearings. It received 15,422 letters in support of licence applicants. Seventy–two were from members of Parliament, from all parties in the House. Representations were made by many Liberal members, including ministers, members of the Bloc Quebecois, the Reform Party, the NDP, the Conservatives and one independent. I raise that as an issue because nobody had any guidelines. Of the 15,422 letters that were in support of licence applicants there were no guidelines with which to deal with the matter.

The Prime Minister went on to say: "Clearly we are not confronted with anything like calling a judge. What we are dealing with is the dilemma of ministers who also must fulfil their duties as members of Parliament who were elected to represent their constituents. That makes this whole area of relationships with administrative tribunals much more complex than with the courts". The Prime Minister also said: "I have learned a lesson too. This government has done a lot to give our ministers clear guidelines to do their jobs and avoid conflict of interest, including the historical ethics package we introduced in June. It is now plain to me that the guidelines for dealing with administrative tribunals were not clear or complete enough".

• (1700)

Even back then the Prime Minister recognized the need for ethical guidelines. This was in response to the questionable actions of the Minister of Canadian Heritage.

Although we have an ethics counsellor to assist the Prime Minister in ethical matters, there has been little to suggest guidelines of any consequence are providing complete direction to the Minister of Canadian Heritage or any of the cabinet for that matter.

The Minister of Canadian Heritage obviously and flagrantly breached judicial principles in this instance. The blight on the minister's ethical record continued to grow. Again, what was the ethical criteria on which he made his decision?

The third fiasco involving the minister saw the resignation of the president of the CBC. No longer able to accept the lack of full disclosure regarding the CBC's future, Tony Manera left his post. A secret meeting between CBC and the heritage ministry, denied many times by the minister, revealed financial information which had not appeared in the government's just released budget or in the estimates. The minister's waspish reply to questions in the House became mired in personal cheap shots and innuendo.

In question period on March 1, 1995 I said: "The minister had a secret agenda about the future of the CBC which he had failed to disclose. Why has the minister failed to provide this information to Canadians?" In his response he said: "Mr. Speaker, our colleague is out of luck. Her assistant is no better as a researcher than he was as a candidate in Ottawa—Vanier".

Clearly initiated by the pressure he felt, he resorted to tactics counter to the red book promise of openness and fair play in order for Canadians to regain their trust in the parliamentary system and in their politicians. Cheap shots, no ethical guidelines to provide assistance to the minister. The blight now was of odious proportions.

We now come to the minister's current disasters: the challenge mounted by cabinet to overturn the CRTC's decision to give a licensing exemption to open up satellite distribution in Canada using a Canadian satellite system; and the perception of undue influence and interference regarding the approval of Investment Canada for the purpose of MCA by the Bronfmans, who own Seagram.

Lunching with the players in Los Angeles represents yet another grave error in judgment by the minister. There is no one who can tell me an invitation to the executive suites of MCA is not as a result of considerable effort, not just a little R and R for the minister at spring break as has been suggested.

Of an even more critical nature is government interference under the guise of competition playing business favouritism. As the cabinet sat around the table making a decision that favoured Power Corp. no one seemed conscious of the confrontation that would develop with the direct to home Canadian consortium of Expressvu Inc. which also just happens to have a close relationship with the CRTC.

What I am trying to point out here is the absolute imperative need for ethical guidelines for all of us in the House in order to operate professionally, ethically and morally as representatives of the Canadian people.

Both the reputation and credibility of the Minister of Canadian Heritage are in shreds. It is remarkable that the rhetoric of the Liberal red book has become meaningless and trite babble.

The people of Canada demonstrated their irritation with politicians in government in the last election. They threw out those who did not consult them, who disregarded their views and who tried to conduct key parts of public business behind closed doors.

Let us ensure the deliberations of this standing committee include ordinary Canadians in the process. We need to create a truly representative government in which the wisdom of the people is respected and protected. No one would be well served if the constituents we serve are not included. We all risk a further loss of public regard.

• (1705)

Ethical standards emerge from the value we place on ourselves. If the government begins to proactively organize and execute around our priorities, politicians will become known for making and keeping meaningful promises and commitments. Canadians are waiting for that.

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, I have a question for the hon. member. In her speech she indicated she was supporting the Bloc amendment which would delete any reference to the Senate in the motion. She appears to treat senators as non–parliamentarians by saying only

elected members of Parliament are entitled to participate in this process and only they should be subject to guidelines.

Is she suggesting the members of the other place ought to have no guidelines if the House of Commons adopts guidelines? Therefore does she feel it is fair that members of the House should be subject to certain guidelines where members of the other place are free to carry on businesses, trades or do whatever they wish? Is that the position of her party?

Mrs. Brown (Calgary Southeast): Mr. Speaker, I believe I qualified that in the first sentences of my presentation when I expressed that senators are appointed officials. They are not elected and as a result should develop their own code of conduct.

We ran on the platform that we wanted to see incredible change to the Senate. We believe in a Senate that is equal, effective but elected. It is on the position of being elected that the senators as appointed officials need to develop their own guidelines because they involve their activities in a different way with lobbyists compared with parliamentarians. At least one would hope with the result of these new guidelines that will happen.

That is a question almost irrelevant when we are looking at comparisons between parliamentarians who are elected by the people of Canada and senatorial positions, most of which are patronage appointments with very strong links to the government of the day.

Mr. Milliken: Mr. Speaker, the hon. member in her remarks indicated there were no guidelines in place. Is she aware that there is a set of conflict of interest guidelines that apply to ministers of the crown and to parliamentary secretaries in the House? Has she seen the document? If not, I would be pleased to send her a copy.

Mrs. Brown (Calgary Southeast): Mr. Speaker, I would be delighted to receive the document, but to date the actions of the government show it also has not read the document.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened very intently to the member for Calgary Southeast.

I thought her party, which seems to be so interested in government financing and the cost of government, would want to have the opportunity to focus on the area of how individual senators perform and whether Canadians are getting value for their money. I am mystified by that stand.

The member went on to discuss ethics and so forth. A great halo comes from that side of the room. I wonder if she could say how ethical it was to be discussing Motion No. 24 which deals with a very specific aspect of ethics and conduct for members of Parliament and senators while using the time almost entirely to develop a political speech to chastise the government? In my mind she has not added anything very positive to the debate.

Mrs. Brown (Calgary Southeast): Mr. Speaker, with all due respect to the hon. member, I do not believe he heard me very well if he did not think I had anything very positive to add to the debate. I was trying to establish a basis on which ethical criteria are established.

There are four things I believe that go through the mind of an individual when they are looking at an issue of an ethical nature. When people come to a make a decision on a problem they know what people say they should do to resolve the issue. They know there are people who do things as they say they will. Actually when it comes right down to it, the actions of people sometimes are not really what they said they would do. Oftentimes people would like to take an action but do not or cannot for whatever reason. Those were the elements which I tried to bring to the speech.

• (1710)

As far as the issue of the Senate, I have stated already the Senate is a house of patronage. It is a house that deals quite specifically with lobbyists in a different way from the House of Commons. Senators are not elected officials and therefore I believe should stand on their own merit and develop their own code of conduct. They are all big boys and girls over there and they should be able to take due consideration with respect to their own activities without our telling them what they should do.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is a privilege to speak to this motion. I congratulate the government for initiating action with regard to a code of conduct for parliamentarians. If history teaches us anything it is that the House needs to be aware of the need for a code of conduct. It needs to be aware that Canadians expect ethical behaviour from us. My hope is a code will be developed and that it will be effective. I hope it will have some real teeth, not like the ethics counsellor who we saw the Prime Minister appoint, and not some watered down list of suggestions which will have as its only purpose a public relations exercise of so–called government action on ethics.

I am concerned because of the government's failure to carry through on any of its red book promises for a more open and ethical government. While the concept of a code of conduct to guide members in their dealings with lobbyists is a good idea, I have some serious doubts as to the government's willingness to follow through with effective guidelines.

Let us take, for example, the position of the ethics counsellor. Rather than having an independent counsellor accountable to Parliament, as the red book said, the Prime Minister has decided to keep the issue of ethics in house, behind closed doors. By only

reporting to the Prime Minister the ethics counsellor has lost the appearance of independence and objectivity. This restriction was underscored during the debacle over the Minister of Canadian Heritage's interference with the CRTC.

There are precendents for positions such as the ethics counsellor to be officers of the House of Commons. The human rights commissioner, the chief electoral officer, the auditor general and the privacy commissioner are all answerable to the House, not to the government. They are not answerable to cabinet or to the Prime Minister; they are answerable to the House. That is important.

In each case it is clear an arm's length relationship with the government is required for those officers to objectively and adequately discharge their responsibilities. The same is true for the ethics counsellor and for any type of code of conduct for parliamentarians.

My concern is that the government wanted to give the impression of ethics without actually changing anything. That is the only reason I can see for not making the ethics counsellor an officer of Parliament. It is a very select group. It is not as though there is no room for change any more. Being an independent officer of the House would allow the ethics counsellor to promote the ethical conduct of members of the House instead of its current position of being a political lap–dog of the Prime Minister.

Despite all the rhetoric about open government and more independence for backbenchers the government has continued the tradition of secrecy and whipping members into line. I have seen many government members speak in favour of some of the ideas expressed on this side of the House only to withdraw and toe the party line when their voice really counted, when they stood up in the House to vote, when they voted in committee or when they had to sign on to committee reports. That is not active and quality democracy and that is not representative democracy.

Our debates in the Chamber on gun control are a good example of how the government really feels about open government. When some of its members chose out of good conscience to represent their constituents rather than do the bidding of the party hierarchy they were reprimanded. Imagine that. They were reprimanded for daring to do the bidding of the constituents who sent us here, who pay the bills, who pay our salaries and who even pay for our pensions.

• (1715)

These are the reasons I am concerned that this code of conduct must be carefully and properly crafted. This government does not have a good track record of being proactive on ethical matters. If we can draft a good code of conduct, it may add some much needed legitimacy to the ethics counsellor.

The importance of having this kind of code of conduct cannot be overemphasized. This government obviously needs some guidelines when it comes to ethical dealings with lobbyists. The whole Pearson scandal is the best example of closed door unethical activity. This deal was started by the previous Tory government and the closed door antics have been continued by this government.

There is the whole issue of José Perez and his dealings with Senator De Bané and Canada Post. As well, the Minister of Canadian Heritage has had questionable dealings with the CRTC in the past and is under a cloud of suspicion once again.

The need for this kind of a code of conduct is self–evident. I only hope the Liberals have the political courage to put aside their self–interests and the interests of their well–connected friends and family members to draft an effective and complete code.

While having a committee draft this code is an improvement over the usual closed door cabinet process, I have some concerns about the make–up of the committee. I do not believe that senators should be included on a House of Commons committee. Let me take a few minutes to tell this House why I have some concerns.

Having senators involved with drafting a code of conduct dealing with issues like conflict of interest is a bit like having the inmates running the asylum. It is a bit like putting violent offenders on the parole board. It just does not make sense. I do not understand why this Liberal government would promote such a ridiculous idea.

I will not make these suggestions without backing them up with facts. Not very many years ago, a Prime Minister by the name of Mulroney stacked the Senate with eight senators. Why did he do that? To put through the GST.

What would happen if some of those senators who agreed to accept those extra positions above the 104 senators ended up on this ethics committee? I am a bit concerned about that. What if the Hon. Eric Berntson from Saskatchewan, one of the stacked senators, ended up on this ethics committee? He was the one who said: "I will never accept a government appointment. I refuse any government appointments". A week or two later when Brian Mulroney asked if he would take a Senate seat to help him get the GST through, he said: "Yes, I would love to sit in the Senate. The rest of my life will be cushy. I will do that for you". The Liberal government defends that type of action and I am shocked.

There was another member in that group of select senators. They had to put stacking chairs in the Senate to accommodate these extra senators. His name was the Hon. John Buchanan. He was considered to be the most efficient bagmen in all of Atlantic Canada. Is this the type of person we want to allow to sit on a committee to discuss a code of conduct and to consider conflict of interest? I am shocked that the Liberals would suggest and promote such an idea.

There are a couple of other people who sit over in the other place: the Hon. Guy Charbonneau and the Hon. Michel Cogger. Their names were in the news for a long time. I remember reading about them in almost every chapter of Stevie Cameron's book *On the Take*.

Are these the kinds of people the hon. member for Kingston and the Islands wants to see sitting on a committee to draft a code of conduct for parliamentarians? Perhaps they may be the result of an investigation rather than the ones who are drafting the code. The Liberals are putting forward a motion in this House which would allow them to sit on this committee. I am shocked. I would ask the Liberals to withdraw the motion, come to their senses and realize what they are doing.

There is another potential candidate for this committee. Her name is Marjory LeBreton. She was the director of Tory patronage, the one who decided which Tories got put in which position of patronage. She probably even had a hand in determining who Brian Mulroney would place in the Senate. Perhaps she had a hand in choosing the six senators to sit on those six stacking stools that the Minister of Transport has correctly identified. Would the Minister of Transport agree to have Marjory LeBreton sitting on a code of conduct committee? This motion would allow that to happen. I am shocked.

There is another one over there, Pierre Claude Nolin. He was Brian Mulroney's crony in Quebec, his principal adviser in the province of Quebec. He accepted his appointment right at the tail end of the Mulroney era, when the whole country was angry at Brian Mulroney and his government and the people wanted to kick them out.

• (1720)

An hon. member: Who was that?

Mr. Hermanson: The Hon. Pierre Claude Nolin was appointed. I think it was in June 1993 that he accepted his appointment.

Do we want somebody, a friend of a government Canadians considered to be villainous to be sitting on the committee for the code of conduct, to be determining the code of ethics we should be living by? I am shocked. I can hardly believe it.

There is someone else who might happen to be involved in the committee and who happens to be a Liberal, the Hon. Allan J. MacEachen. He is considered to be the godfather of the Liberals in Atlantic Canada. He has a reputation that one member on the front bench is trying to emulate.

There is an article in *Maclean's* which says: "Then comes the minister of public works, a show stopper. The incantatory, drawn out delivery of Allan J. MacEachen, the long time federal Liberal minister from Cape Breton who now sits in the Senate. "Close your eyes", says one of the acquaintances of both men, "and you will swear Allan J. is right there in the room". There is only one Allan J, the minister explains with an annoying chuckle.

Then it goes on to talk about how Hon. Allan J. MacEachen was a godfather in Atlantic Canada and certainly someone involved in patronage. Certainly, he is someone that we would not want on a committee to discuss and draft a code of ethics for parliamentarians, but this is what the Liberals are intending to do.

There is another problem with this committee. Right now the Senate is controlled by the Tories. I understand that the Prime Minister is working overtime to install his own hacks. The Minister of Transport knows that the Senate is controlled by the Tories. He is having some problems with the Pearson airport affair.

The Tories are also worried. A few hundred of them met across the river over the weekend. They were planning strategy. Their strategy was: "How do we get back on the gravy train? We are not getting many appointments to the Senate anymore and we miss that". They are strategizing how to get back into government so they can get back on the gravy train and see some of their own appointed to the Senate.

Too many of the old Mulroney gang had their eyes on a red covered chair in the Senate. And these are the people we want to be involved in drafting a code of ethics for us, for the elected members of the House of Commons? I think not. Some code of conduct that might be.

The group of Tories that met in Hull over the weekend did not apologize to Canadians for the despicable things they did when they were in power. They should have. They did not apologize to Canadians for increasing our debt from about $200 billion to over $400 billion. They never said they were sorry. And these are the kind of people the Liberals want to put on an ethics committee? I think not.

The Tories imposed the GST on Canadians against their will and they had to stack the Senate to do it. These are the kinds of people we want to put on an ethics committee?

The Tories, along with the Liberals, were involved in drafting the Charlottetown accord, the infamous accord that had some terrible things in it. One item in the Charlottetown accord called for a double majority in the Senate regarding votes on matters respecting language and culture. That meant that if there was an issue that addressed language or culture, not only did the majority of senators have to vote in favour of the measure, but a majority of francophone senators had to vote in favour it. That is not democratic.

It is not democratic that they are unelected, but then they get a double majority based on language and ethnic origin? That is disgusting. Yet the people over there want these types of people to sit on an ethics committee. I am astounded. I cannot believe it.

The Charlottetown accord said that this new Senate would be elected. Members on the other side brought that to our attention. Of course we knew it would be elected, but who wants that type of an elected Senate? What decent person would run for election to that kind of a Senate? I do not think we would find very many good candidates that would agree to sit in a body that would use a double majority on votes relating to language and culture. That is disgusting. It is not Canadian and it is not true democracy. Yet the Liberals want these kinds of people to sit on a committee to draft a code of conduct for parliamentarians.

• (1725)

The Tories never apologized for doing these things. The Liberals have not apologized for their role in the Charlottetown accord, although there were two or three of them who I think did see the light and spoke against the accord. The majority as usual followed like sheep to the slaughter and lost the Charlottetown accord.

Canadians are not as thoughtless as many members on the other side might think. They see through these things and were appalled at the Charlottetown accord. They were appalled at the debt the Tories built up. They said it was immoral, that it was wrong. Because of that they only elected two Tory members to the House in the last election. They said that the GST was wrong as well. When two or three Tories stood up and said they would not vote for the GST, they were disciplined just like the Liberals were who voted against the gun control measure. Nothing is different between the Liberals and the Tories. They stand for the same principles. Did I say principles? I do not think they stand for any principles. It is disgusting.

These people want to draft a code of conduct, a code of ethics for parliamentarians? I think not.

The Senate certainly needs a code of conduct. The member for Kingston and the Islands has talked about it. Do they not want senators to have a code of conduct? Do they not want them to be accountable? The first thing is that they need to be accountable to the people of Canada. Until we change the Constitution that will not happen. Perhaps rather than abolishing the Senate we should be talking about abolishing the appointed senators. That might be a move in the right direction.

I have spoken at some length on this matter and will conclude before my time runs out. I want to clearly say to the House that we do need a code of conduct. We do need to know how to deal with lobbyists. That is important. However, we certainly do not want direction from the old Tory gang. That would be a disaster. That is far less than Canadians deserve in this place. We must not support a joint committee to deal with the issue of ethics and a code of conduct.

Perhaps the Liberals have seen the error of their ways. I know they did quite a bit of yelling over there because they have been told they have to support this motion. It is government policy and they have no choice. However, they should just step back for a minute and think logically about what they are doing. They are supporting the old Tory ways. They are not being any different.

There are several new MPs over on the other side who have not been tainted with that Tory–Liberal past of previous Parliaments. Perhaps this is the time for them to stand up and be counted and vote against something that is not right. Let them do something right for a change, not just for themselves, not just for the Liberal Party, not just for the House of Commons, but for Canadians.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 45, the division on the question now before the House stands deferred until tomorrow at 5.30 p.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

• (1730)

LOBBYISTS REGISTRATION ACT

The House resumed from April 28 consideration of the motion that Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, be read the third time and passed.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, it gives me a great deal of pleasure to speak today in opposition to the Lobbyists Registration Act.

When American President Calvin Coolidge was governor of Massachusetts prior to becoming president, the local Polish community wanted him to appoint one of theirs as a judge. There was one lady in particular, a lobbyist, who came to see the president on a regular basis. She pestered him again and again but she could not get him to make the appointment. She showed up at his office on a regular basis and could not get him to make this appointment. Finally an entire delegation of notables descended on him in his office. They came to see him to try to persuade Mr. Coolidge to make this appointment.

When they arrived at his office, Mr. Coolidge sat and stared at the floor. After an uncomfortable silence he said "New carpet". The whole delegation hastily agreed it was a wonderfully new carpet and that he had gotten his money's worth. After a while he said "It cost a lot of money". The delegation again assured him that it was a very beautiful carpet and that indeed he had gotten his money's worth. Finally he looked up at them and said "She wore out the old one trying to get you that judge". They left.

The same Calvin Coolidge wrote in his memoirs that when one is in politics, nine out of ten people who come to lobby you want something they ought not to have. "If you just ignore them", he said, "after three or four minutes they will run out of things to say and they will leave".

If Mr. Coolidge were still in office, we might not need to register lobbyists. We might not need this act. If Mr. Coolidge were still in office, we might not need an ethics counsellor. Old Silent Cal was his own ethics counsellor, and he sure knew how to deal with lobbyists.

Calvin Coolidge did not think that it was the business of government to seize property from the average citizen and redistribute it to the shrill. Unfortunately—I say that judiciously—we have made much progress since then. Now our governments dispose of huge sums of money. Our federal government spends $160 billion a year, and that means that anyone can get very rich on even a small amount of it if they manage to persuade government to dole out the favours.

There are a lot more plums to be shaken from the tree of government. Our governments now relentlessly regulate the economy. If you can get a regulation changed in your favour it means more to you than making a better mouse trap, hiring a better employee, or finding a new and better way of doing an old task. We have seen that with the recent changes to TV regulations. Even when the policy change is a good one, we have to worry about how it was done. Government simply has too many favours at its disposal.

When people lobby government, they almost invariably want something they can get by going to Canadians and asking them for it. They can come to my house and ask me for donations for the various enterprises for which they are looking for funding. They can go to other Canadians, but most Canadians probably would tell them to go play in traffic. What do they do? They come to Ottawa to lobby government for the funds they are looking for.

If we substitute the word "force" for the word "government", we can see how government can achieve what these people are looking for, because government has the means and the power to force people to give up part of their incomes through taxation and take that money and redistribute it to these people who come lobbying in Ottawa.

We have swarms of lobbyists trying to influence government. That means we need laws to regulate them. Unfortunately, this bill does not do the job. This bill does not define lobbying strictly enough and enables people to lobby in everything but name.

It is even worse when we come to ethics counsellors. It is a shame that we need them. I would much rather have politicians who know right from wrong. I lament the day that we went from morals to ethics. It has all been downhill ever since.

• (1735)

If we are to have an ethics counsellor, let us have one with some independence. Let us have the ethics counsellor who is described in the red book, who reports directly to Parliament. Let us have an ethics counsellor who can tell the Prime Minister "No, you are wrong", without fear of getting fired from his job. Let us try to swat the swarm of flies buzzing around Parliament Hill picking up scraps off a bloated budget and carrying them off.

Let us not forget that the reason we have people seeking unseemly favours from government in unseemly ways is that government has become too big. Let us not forget that government has the power to reward friends and supplicants in a way it simply should not. Let us work on putting government back in its box.

Let us remember that if men were devils government would not be possible, but if they were angels it would not be necessary. Let us remember that political philosophy should be occupied not with the question "Who gets to the front of the trough?", but with the question "How can government be strong enough to protect the lives, liberties, and property of its citizens without being strong enough to menace them?" Then we would not have to worry about who the cabinet is meeting with today, who the Prime Minister is related to, or any other questions. That would be real lobbying and ethics reform.

Let us defeat Bill C–43 and get on with that.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, it gives me great pleasure to rise to speak in support of Bill C–43, as amended.

The Lobbyists Registration Act is one more initiative of the government to help ensure honesty and integrity in the politics of governance, a key plank in the Liberal platform as laid out in our red book. I am glad to note that members opposite have also found this book to be a valuable reference.

At this juncture allow me to congratulate the members of the Standing Committee on Industry, under the able leadership of its chairman, the hon. member for Fundy—Royal, for its excellent and timely report, appropriately entitled "Rebuilding Trust".

It was my privilege to have contributed in some small measure to the deliberations of this committee. It was evident then, and my initial impression has since been reinforced by the report, that the committee, composed of members from all political parties, would leave no stone unturned in its effort to report a bill that would ensure that present and future governments will remain honest, open, and accountable. Citizens expect no less.

I indicated earlier that the report's title, "Rebuilding Trust", is most appropriate and timely. Until the last federal election there was an unprecedented level of public cynicism about our national institutions and the political process, about Parliament itself. Citizens saw their system eroded, serving the servants and not the public. That is why integrity in government was a major Liberal platform in 1993.

Keeping his promise, the Prime Minister restated in leading the debate in this House on Bill C–43 that his highest priority was restoring Canadians' faith in their institutions. He reasoned that cynicism ultimately undermines the proper functioning of Canada, eroding our national resolve to work for a better nation. The Prime Minister with these remarks was acknowledging the central role public trust plays in the success of any government, and we all share in this.

Canadians will recall that early in the mandate of this government the EH helicopter contract was cancelled at once, as promised. A $6 billion national infrastructure works program, in concert with the provinces and municipalities, was immediately put in place, as promised. The preceding and the last budgets are on track to reduce Canada's deficit to 3 per cent of the gross domestic product, as promised. Overfishing by foreign fleets, which threatened our already scarce domestic stocks, has been stopped, as promised.

• (1740)

Last but not least, a new Canada health and social transfer program to govern future provincial–federal transfers has been announced to ensure the preservation and strengthening of medicare, as promised.

We have shown Canadians that integrity cannot be preserved simply by paying it lip service. It must take the form of clear, decisive action. Integrity must become a way of public service, a habit of the heart on the part of any government. The Liberal government since assuming office has sent out a strong and clear message that the integrity of our country's institutions is not for sale.

The government and Parliament will serve all Canadians. Bill C–43 is one more indisputable proof of that resolve on the part of this government.

How will Bill C–43 restore and reaffirm public trust in the integrity of our national institutions? There are several ways. By appointing an ethics counsellor, by empowering the ethics counsellor to develop a code of conduct for lobbyists, and by ensuring that lobbyists will have a legal obligation to comply with the code, we can assure Canadians of integrity in our national institutions and therefore regain their trust.

By insisting that a code of conduct will have to be reviewed by a parliamentary committee before it comes into full effect, we can ensure that all political perspectives will have input into the substance of the code. By requiring that the ethics counsellor must investigate breaches of the code and submit a detailed report of each investigation to Parliament, we can ensure there will not be a whitewash. By ensuring that the ethics counsellor reports to Parliament annually, we can ensure there will be ongoing vigilance.

Some members opposite have argued that the code of conduct as proposed is not a regulatory text and not enforceable in law. There is a far greater document than law. Codes of conduct of various professional societies and trades have proven to be effective tools in ensuring exemplary conduct on the part of their members. I am confident that elected officials will rise to the challenge called for by the new code of conduct.

Some members opposite have also argued that appointment of the ethics counsellor by the governor in council is not too independent a process. I remind the members opposite have far greater faith in the integrity of our citizens, in the integrity of our appointees, in the integrity of our officials who assume office through the appointment process. One classic example is that of our judiciary system. Our Supreme Court is one such shining example.

The process of assuming office is not as critical as the integrity of the people who have assumed office. Let us not prejudge the integrity of our ethics counsellor.

Other colleagues from the government side have already spoken on the many other positive aspects of Bill C–43, includ-

ing the area of disclosure. There will be disclosure of fees and disclosure of government funding for associations.

Allow me to recall once more for my colleagues opposite and for all colleagues in the House that we have gone a long way since 1993 in terms of the rebuilding of public trust. The mood of Canadians has greatly changed, from cynicism in 1993 to optimism today.

The Canadian people have placed their trust in the Liberal government. I am honoured to serve with the government. Not only has it restored economic life, not only has it reduced the federal deficit, not only has it created jobs, not only has it restored public institutions and infrastructures, this government has also restored integrity in governance.

Integrity is once again a way of public service, and we have all benefited from this change. Parliament is the highest court in the land where the voices of Canadians, rich and poor, men and women, young and old, are heard and given equal strength.

• (1745)

It is said that members of Parliament should reflect the fears and hopes of their constituents today and in the future. I agree and we agree. I also say that we must reflect the hopes of our constituents of yesterday whose time honoured values include integrity, which continues to guide decisions we make today.

I am delighted to support Bill C–43 which marks the dawn of a renewed era in Canadian politics, integrity in governance, and thereby restore the nobility of our chosen profession in the House.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my intervention will be more a comment than a question, although I am sure the member will want to respond to it.

He indicated that we have spoken about the lack of independence of the counsellor. Then he went on to say that he had more faith in these people than that. So do we. That is why I think the process, as defined, is so very unfortunate.

The person in the position right now is an honourable person. It certainly is not a goal of mine to see if I can find where someone has made an error. That is not my goal. I have not found anything on him. I do not think there is anything of a serious nature or anything at all.

He is a man of integrity. He is a man that can be trusted. Unfortunately, because he is appointed by the Prime Minister, because he answers to the Prime Minister and because there is no independence from that particular role, the individual can be as honest and as clean as the day is long but he will not be able authentically to convince Canadian people of it. Try as he might, because of that close relationship there will always be people who have not forgotten the previous government, even on the assumption that there is nothing wrong with the government. I do not buy that, by the way. Everyone has problems from time to time.

When we form the government next time I am sure there will be allegations made about us. That is when I want the ethics counsellor to be independent. When false allegations are made the person who makes an investigation and reports on them must be truly seen to be independent so that he is trusted. Then when he says there is nothing wrong it will be taken as a true statement instead of one that is manipulated. That is why we are saying that the ethics counsellor should be totally independent from cabinet and from the Prime Minister.

The added problem in Bill C–43 is that both the ethics counsellor and the registrar report through the minister. There have been comments on that point: "What is wrong with that? Don't we trust our ministers?" Yes, we do, but if there is a true or false allegation against any minister, particularly the minister who will act as registrar general, the case is totally weakened by the fact that he would bring forward the report on himself. No one would believe it and it might be totally true. That is what is so unfortunate.

Mr. Pagtakhan: Mr. Speaker, the conclusion in his comments was that anything via the appointment process is inherently bad and that anything by election is inherently good. Otherwise he would not have made a comment.

Sad as it may be, even some elected members of Parliament have been corrupt in the past so an election is no guarantee. We need citizens who will serve the country with integrity.

• (1750)

The justices of the Supreme Court have been appointed to office but have retained their independence. The independence of an official is not related to the process; it is related to the soul of the individual. If the member were to be appointed by the government to an office in the future, he would think just as independently as anyone would.

The appointment process does not in any way take away from the true independence of the appointed Canadian citizen. I have faith in our citizenry.

Also in the bill is the area of public scrutiny, scrutiny by the highest court of the land, by the House, when allegations can be substantiated to show the disappearance of independence on the part of the appointee. Then members of Parliament have an obligation to point it out to the Canadian public.

I am not afraid of the appointment process. I would like my colleagues to have more faith in our officials. Appointment as a

process is not the only answer. We need officials with the highest level of integrity. I am convinced the government with its bill and commitment to keep its promises has already shown the Canadian public it is serious about integrity. I would like my colleague to have faith in us.

Mr. Epp: Mr. Speaker, my hon. colleague across the way missed the point. It is not that I do not have faith. Those of us within these walls have a high level of faith in one another across party lines. I do. I look at Liberal members and I do not see any reason to accuse them wholesale of wanting somehow to deceive the public. I do not observe that. From time to time allegations are made. I am not the one who has to have faith; it is the Canadian people.

Why was this section included in the red book if it was not as a response to the lack of faith Canadians have developed over the last number of years? I am sure they would be happiest if we said over the previous nine years before the last election. There is no doubt that Canadians in general have lost a lot of faith in government officials because of things that have gone on, things that have been exposed and things that have been wrong.

We need an ethics counsellor who is independent and is seen to be independent by the public so that he has real credibility when he makes the pronouncement that it is an innocent case. He should have total freedom and not in any way be perceived to be under any pressure from the Prime Minister or any cabinet minister when he is conducting an investigation so that he will be believed regardless of how he calls the investigation.

Mr. Pagtakhan: Mr. Speaker, how can the member say he has faith in the ethics counsellor at the same time as he says the person could be manipulated and his report may not be believed because he has been appointed to that office? How can we believe the member has complete faith in the person when at the same time he would say that the person can be manipulated?

• (1755)

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, with Bill C–43, the Liberal government has as usual ignored the real problems.

With this bill to amend the Lobbyists Registration Act and to make related amendments to other acts, the government has not resolved anything. What this Parliament needs is not another bill but above all a code of conduct for lobby groups, which wield excessive powers in this country.

To go on and conclude that lobbyists are leading the country seems to be the logical step. True enough. We know that lobbying activities have always been part of the Canadian political scene. Over the years, these activities have become an important component of the political process.
Between 1969 and 1985, some 20 private members' bills dealing with this issue were tabled in the House of Commons.

All these bills were motivated by the same reason, the same need, the same desire, that is, to make the government more open and democratic. The fact that we are being asked to address this issue again today means that we have not made as much progress as we hoped.

As I read this bill, it occurred to me that, between the time when election promises were made and the time when they were put into law, lobbyists probably dictated the final version of Bill C–43, which would account for this abrupt turnaround in Liberal policy. I would like to caution this government against dissociating itself from these groups, as we all remember that the Government of Canada started being influenced by lobbyists as far back as 1969, under the Trudeau government, of which the current Prime Minister was an active member.

Let us remember the role played by lobbyists in developing the free trade agreement and the goods and services tax. Remember also the role played by the Business Council on National Issues, the most powerful and active lobby in this country. In fact, to join, you have to be president of one Canada's top 150 corporations. Together, members of this select circle manage $975 billion and employ 1.5 million Canadians, or 12 per cent of the country's labour force. It is therefore fair to say that this group has power, or a hold, over the government.

We also know that the members of this organization make generous donations to campaign funds, whether Conservative or Liberal. Must I remind members of the influence this group had on the Mulroney government when the Meech agreements were passed in 1990? As members will recall, the Mulroney government had hired Ronald Watts to act as the brain behind the constitutional strategy. But what everyone here may not know is that Mr. Watts was the expert adviser of the Business Council on National Issues at the time. Just think of how much influence he had and was able to bring to bear on the government.

I would even go further and say that the kind of lobbying practised in Canada is causing this country to become dehumanized.

• (1800)

In his memoirs, a former Quebec Premier, René Lévesque, refers to a meeting which took place in 1982 with a Bank of Canada official who was obsessed with the fight against inflation, but showed very little concern about unemployment.

As you can see, central bank officials change, but their obsession remains the same. Why? Simply because of the lobbyists, whose companies prefer to maintain unemployment high, so as to have access to cheap manpower.

When the party in office claims to want to put people back to work, we have to wonder, since its cannot do anything against powerful lobbies.

This is why members opposite are not so irked by a referendum campaign, since it provides them with an opportunity to avoid the real problems which they cannot solve, such as job creation.

I am only asking the government to fulfil a commitment made last June, when the Prime Minister said that initiatives relating to transparency, including Bill C–43, would give unprecedented transparency to the federal administration. The events of the last 15 days give you an idea of this transparency.

There can be no doubt about the power of lobbyists. According to an article published in a London newspaper in December 1992, there were 149 rich men and women in Canada. These are the people who run the country. These rich men and women are of course the members of the Business Council on National Issues. This is a group which, I say again, makes financial contributions to the Conservative and Liberal parties.

The credibility of the Parliament of Canada is undermined by such headlines. The time has come to act and this is why the Bloc Quebecois is asking that all lobbyists be subjected to the same disclosure rules.

Nobody in this House would be surprised to hear that, as usual, the government, contrary to its red book commitments, even refuses to subject all professional lobbyists, that is those who influence the government for essentially economic reasons, to the same disclosure rules. Why? What is the government's interest? Who is it trying to protect? Who is it trying to please? We hope those questions will be answered.

Obviously, clauses concerning the ethics counsellor need to be closely scrutinized. One of the main functions of the counsellor should be to prepare a code of conduct for lobbyists. Properly designed, that code could increase public awareness of lobbying and reduce improper conduct on the part of lobbyists. I hope that code would have a greater impact than the Lobbyists Registration Act itself.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I listened to what the member opposite had to say. Towards the end of his speech, he indicated that he would like all lobbyists to be subject to the same rules.

• (1805)

That would mean for example that the Canadian Federation of Agriculture, the UPA and the Red Cross would be subject to the same onerous rules as the large lobbying firms set up here, in Ottawa.

I do not know if the member was there when the parliamentary committee considered the bill, but the groups I just mentioned, the Dairy Farmers of Canada, for example, told the committee that the rules should not be the same for them and for the large Canadian lobbying firms.

Can the hon. member tell us why he disagrees with the proposal which was made by the Dairy Farmers of Canada to the parliamentary committee and which the government has implemented?

Mr. Fillion: Mr. Speaker, it is a pleasure for me to answer this question. First of all, lobbying can be divided into two categories. The first category is the kind of lobbying where fundamental problems concerning basic principles are discussed, whether they be moral principles, work principles, or whatever. The other category is the economic lobbying category. These lobbyists are the ones that I am talking about. Just take as an example the events which took place over the last few weeks. Think about Power Corporation and Power DirecTv. These two examples are enough to give the members opposite pause.

I want to add that when we talk about integrity and transparency in this area, we are talking precisely about fiscal integrity and transparency. You organize dinners at $1,000 a plate. What ordinary citizen can afford a dinner at that price? It is Power Corporation who will buy 10, 15, 20 or 25 tickets at $1,000 each and give them to their friends. Is that your idea of transparency?

The Bloc Quebecois is simply saying no to that. All we want is to improve the integrity of parliamentarians.

The Acting Speaker (Mr. Kilger): Before returning the floor to the hon. member for Glengarry—Prescott—Russell for a supplementary question, I would remind you, dear colleagues, that all remarks must be addressed to the Chair.

Mr. Boudria: Mr. Speaker, judging by his response, I think the hon. member misunderstood my question. He said in his remarks that all lobbyists—I wrote it down as he went along—that all lobbyists should be subject to the same rules.

In the answer he tried to give us, he acknowledged himself that lobbyists were not all on an equal footing. He said that some people dealing with certain types of matters should, by dint of circumstance, come under stricter rules, if I understood correctly.

I therefore repeat my earlier request. In the bill, the rules governing organizations such as farm federations or similar groups will be less strict. Why does the hon. member want the rules to be just as strict in the case of farm federations and of the

Canadian association of dairy producers, which testified before the committee requesting more relaxed rules for its members? Why does he oppose the position of these organizations? I am trying to be clearer than I was the last time.

Mr. Fillion: Mr. Speaker, I think the hon. member opposite understood perfectly the answer I gave earlier. He understood every word, but he chose to interpret it in his own way. However, I do not agree with his interpretation. I do not agree, because once again, the rules must be the same for lobbyists involved in the financial sector.

• (1810)

I understand what he is getting at. He would like to stifle the activities of pressure groups as well, but that is not the point. We will not prevent lobbying on issues pertaining to unemployment insurance, student loans and post–secondary education. We will not prevent lobbying in those areas, except in the case of financial lobbyists, when the time comes to pass strict laws that will help the old–time parties, the Liberals and the Conservatives, show a little more integrity and more transparency in their operations.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I listened to my colleague's opinion on lobbying and I realize that lobbying is a legitimate activity. Parties with interests at stake have the right to heighten the awareness of others to them. What is not right is carrying on these representations secretly, furtively, which can in no way serve the public interest.

My colleague mentioned in his speech that the legislative branch, the House of Commons, has a role to play. And I, as an MP—this needs to be said—often get the feeling that outside influences, especially from high finance, force a decision to go a certain way, and they leave no trace leading to the truth or even to information which would shed some light on what is being hidden behind the masks and the empty gestures.

For two weeks, several questions have been asked in this House regarding who is responsible for the satellite broadcasting issue, and, overall, the issue is extremely clouded.

Therefore, we do not want to prohibit lobbying but to make it transparent so that the House can really protect the public's interests.

I would like my honourable colleague to respond to the comments I have just made.

Mr. Fillion: Mr. Speaker, I thank my colleague for giving me the opportunity to point out that his comments show that he did not really listen to my speech, but only grasped two or three words from it, on which he based his incomprehensible gibberish that he probably does not even understand himself.

I will quote exactly what I said in my speech: "Nobody in this House would be surprised to hear that, as usual, the government—your Liberal government—contrary to its red book commitments—".

The Acting Speaker (Mr. Kilger): Order please. I already took a few moments earlier and I will do it again. I must remind you that, to the greatest extent possible, all statements must be made through the Chair.

Mr. Fillion: Mr. Speaker, I will continue quoting from my speech: "—the government, contrary to the red book commitments"—I know it is shocking—"refuses that all professional lobbyists, that is to say those who influence the government for purely economic reasons, be made to abide by the same disclosure rules". This is what I said. I was referring to lobbyists whose goals are essentially economic. I differentiate between the two categories. So, when it comes to lobbyists whose goals are essentially economic, their name, interests and rules should be disclosed, just as we, in the Bloc Quebecois, are not afraid to publish the list of taxpayers who contribute to our election fund, since we do not accept gifts from companies.

• (1815)

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am pleased to rise today to address Bill C–43, the Lobbyists Registration Act, and to express some of my concerns and frustrations with the continuing saga of the sophistry of the Liberal Party, which is using clever but misleading arguments to encourage and to instil confidence in the Canadian public that what it is doing is in their best interests.

In the long run, at the end of the day and at the end of the term, when we see the results of that party's futile efforts, finally we will see that all the things the Reform Party and a lot of the things the Bloc Québécois are saying about this government will come true. We will see the facts and know that all the sophistry has done nothing but keep the Prime Minister high in the polls.

During the next election I know there will be Liberal members taking pride in initiatives such as this bill and the joint committee of the House of Commons and Senate to establish a code of ethics. They will say the government has restored integrity to the Canadian parliamentary system. They will talk about how they kept all their promises in the Liberal red book, despite the fact that the Reform Party has already pointed out about 20 broken promises.

The Liberals are against recall. They do not want recall. They do not want to have a certain member in their party who has been expelled from caucus; that member is representing over 100,000 people, was elected as a Liberal, and sits in the House as an independent. That should be an embarrassment to Liberals, but they say the best form of recall—and this will come back to haunt them—is at election time. The Prime Minister has said "That is the time when they can vote me out. That is the time

when we will be held accountable." I am here to remind Liberal members that they will be held accountable. The people of Ontario, who voted with their feet the last time, just might vote with their feet again in 1997.

They talk about pension reform, the relaxation of party discipline, open and honest government. Restoring integrity to politicians is what is in the red book. We know politicians have a poor name, probably because of the most immediate past government. Nevertheless, this government is starting to develop that same arrogance, that same defiant way, where its members feel they can do anything they want to do, when they want to do it, how they want to do it, behind closed doors.

For instance, let us look at the incident that is being debated in the House now, with the direct to home satellite service, and the performance of the Minister of Canadian Heritage to date. As we all know, we questioned his judgment and we questioned his competence when he wrote a letter to the CRTC, an agency that is supposed to report to him on an arm's length basis, suggesting that a certain constituent of his receive a radio application. That was a breach of his cabinet oath, yet nothing happened. This was run by the ethics counsellor, who also in the red book, the Prime Minister promised, would answer to Parliament.

I will come back to that issue in a second, because the Reform critic has done an excellent job of pointing out things that he feels should be repeated at this point in time.

This bill talks about elements like integrity and ethics. When we talk about integrity and ethics we have to show transparency, we have to show consistency, and we have to keep our promises.

An order in council came forth this past week saying that we believe in fair and open competition, we believe that Canadians want competition, and we are working in the best interests of Canadians; therefore, Power Corp. should have the right to compete for direct to home satellite services. So be it. If the government was really consistent in its philosophy and if it really had any integrity at all, it would have to be consistent. To be consistent, the government must also revisit the decision of the CRTC, which at this point was consistent in both of its decisions, because it wanted to protect Canadian culture. Both of those decisions were rendered in the name of Canadian culture. One is overturned by an order in council, which is an unprecedented use of power. It is using a sledgehammer when a little hammer would do.

• (1820)

What did the government do with the other decision, about the monopoly granted to Rogers cable system, that only Canadian programming would be on there, and the new stations that were awarded? It excluded the country music cable station from the United States.

If this government really has integrity, if this government has any morals at all, it will be consistent with their order in council on the direct to home television decision and it will have another order in council ordering the CRTC to reverse its decision on Rogers and allow CMT to compete openly with Canadians.

We now have to compete as Canadian football players with Americans in the CFL. We now have free trade. We now have open borders. If we are going to compete, let us compete. Let us not just do it on the basis of keeping it all in the family.

That is what is wrong with this bill, the very thing we are talking about this week, about the transparency of transactions where government gets itself involved with businesses. Power Corporation and those people who are representing the satellite services run a business. They make a profit. They want the government's help. They needed the government's help to come into this picture so that they could compete with Expressvu, which has spent $200 million. They were using Canadian services, Canadian satellites. The CRTC was consistent, but this government orders an order in council.

We have the right to question that. Did Power Corporation lobby? Was there any company hired to lobby on behalf of Power Corporation? Was there any need for a lobby? Somebody said the Liberal Party is a lobby. I like that line.

Joking aside, if there were a need, how would the Lobbyists Registration Act, Bill C–43, aid, benefit, and help this process and keep it transparent so that the Canadian public does not question the integrity and the ethics of the government politicians?

I want to hold up my Prime Minister and that cabinet in esteem. I want to criticize wrong policies. I never want to have to question their ethics, their morals, or their intent. That is not what we should be here for.

In the way it happened, an order in council, why. On the basis of a three person committee? On that three person committee there was a former law partner of the Prime Minister, an individual who runs a company that is owned by Bronfman, and another individual who was appointed deputy minister by Liberal Prime Minister Trudeau. They were all deputy ministers, I heard somebody say today; I believe it was the government whip. They all were working in the bureaucracy. They got solicitations. They got a hundred or so letters, we were told in answer to a question in question period. Let us make those letters public. Let us find out what those people said before they made their recommendation. We cannot get to the bottom of this.

This bill is important. We should have lobbyists register. We should have them register as per what was said in the red book. They are breaking another promise. Where is the ethics and the integrity in breaking another promise?

The positive elements of the bill are that it does increase the disclosure requirements for lobbyists, especially for tier two, in house. Another positive is that any lobbyists whose clients are coalitions will have to disclose the membership for that coalition so that we know exactly the size of the group we are dealing with. It also adds government funding and the subject matter of a lobbying proposal to disclosure requirements. It allows for electronic filing of returns. It increases the statute of limitations for investigations from six months to two years. That is about it for the positives.

On the negatives, the bill classifies lobbyists not on what they do but rather who they work for. They should be defined by their activities, not their employers. All professional lobbyists should be treated the same. Further, the red book promises that the recommendations from the 1992 unanimous Holtmann report will be implemented by the Liberal government. Removal of the tiers was an explicit Holtmann report recommendation.

A lobbyist is defined as someone who lobbies as a significant part of their duties. John Turner, who may only lobby two or three times a year, can make a case that he is not a significant lobbyist and therefore he does not have to register. A better definition is someone who is paid to attempt to influence the government.

There is nothing wrong with having lobbyists, but let us make sure it is open and transparent and above board.

• (1825)

The bill does not address the problem of using past and current political ties to gain access and influence. Past political positions held and political donations should be declared. The fees paid to lobbyists are not included on the list of disclosure requirements even though when in opposition the Liberals insisted on it and the chief government whip wrote a report calling for disclosure.

It would help to show when there has been a massive lobbying campaign on any one side of an issue like the Charlottetown accord. The bill specifies that the individual lobbyist must register but he need not disclose the name of the government official he is lobbying.

For the Pearson deal we would only know that the Department of Transport was lobbied but we would not know who the individuals were. This sends a message that specific lobbyists must be held accountable but not specific public office holders.

Who in the Department of Transport was lobbied? That is what we have to know. The bill has a loophole whereby any meeting initiated by a public office holder need not be disclosed. This is obviously a major flaw because, as Jean Chenier of *The Lobby Monitor* said, "Any lobbyist who cannot get an invitation from a public servant is not worth his retainer".

The bill completely ignores anti–avoidance schemes. Even with the relatively uncomplicated act before the bill there were anti–avoidance schemes developed. Not dealing with them is a problem, another Holtmann report recommendation ignored.

We also suggest the registrar who administers the act be given the power to perform random audits to better ensure lobbyists are complying with the provisions of the act. That is a very solid and concrete recommendation or proposal by the Reform Party.

The bill also touches on the ethics counsellor. The biggest scam perpetrated on the House is in the red book. It is quite clear. It is on page 95: "The ethics counsellor will report directly to Parliament".

The ethics counsellor was hired. We know the gentleman's name. We are not questioning his ability. We are questioning to whom the ethics counsellor reports. It is to the Prime Minister, directly to the Prime Minister.

He is not a watchdog, which is what an ethics counsellor should be, on behalf of Parliament to restore integrity and to restore politicians to the high standards they were held in back in the old days. He is not a watchdog, he is a lapdog.

If the Prime Minister is involved in a situation in which there are close family ties—and there is no accusation of wrongdoing, none whatsoever—we want the process to be transparent and the ethics counsellor to be able to say to the House that it is transparent. The fact that the gentleman is the Prime Minister's son–in–law should have no bearing on the decision rendered in cabinet. The order in council should be above board. They should be in the best interest of all Canadians. There is no more to it.

We want to be able to trust and accept unequivocally the decisions of the ethics counsellor. We cannot do that now because the ethics counsellor answers directly to the Prime Minister. He does not answer to Parliament. It is a direct violation, another promise of the Liberal government in its red book.

Ms. Augustine: Rubbish.

Mr. Silye: That is not rubbish. It is on page 95. Nod your head if you agree with me, Mr. Speaker, that in the red book it says the ethics counsellor is supposed to report to Parliament or to the Prime Minister. I know you cannot nod your head. I withdraw the request.

The ethics counsellor must investigate any time he has reason to believe there has been a breach in the code of conduct for lobbyists and he must report his findings. He must also file an annual report on the operation of his office. That is a good element.

Some hon. members: That is not true.

Mr. Silye: I will say it again because I hear members opposite saying it is not true. I would not stand here in the House and say that the Liberal promise is not in the red book. I would not do that. The authors of the red book promised an ethics counsellor would report to Parliament. The ethics counsellor does not report to Parliament and all those geniuses jabbering on the other side better get their facts straight. It is a direct violation, a broken promise.

Along with the government we wish to restore integrity to politicians. We have to get there from here because there is a long way to go. The book *On the Take* has cast a negative light on all politicians.

• (1830)

I am a rookie politician. I am a politician now by profession because I get paid for it, but in my heart and in my mind I am still a businessman. I know what I thought two years ago when I was on the outside looking in here at what these people were doing. I was not too happy about that. I was so frustrated that I decided to run.

Now I am hoping that by being here and being able to express my point of view I can now say I would like to restore integrity to politicians. The government should be listening rather than talking. I know some of its members are very talented and can talk and listen at the same time, but not too many people are able to do that.

When I accuse the government of sophistry, which is no more than using clever but misleading arguments for a false conclusion, sleight of hand is another good way of saying it, my concern is it talks about the great and wonderful things it is doing for the country when it really is not. It is letting Canadians down.

It has bills like the Lobbyists Registration Act and the motion today for a joint committee on a code of ethics, a joint committee with the Senate and the House of Commons to enact a bill that would define the code of ethics. Why is there a need for all this?

Two months ago the Prime Minister said in the House that we have all these things in place. Cabinet ministers must take all sorts of oaths. We have to take oaths as members of Parliament. We have all sorts of rules controlling what we can and cannot do. We are into about six levels of controls to ensure we restore respectability for parliamentarians.

We want to know what is happening in the bureaucracy. We want to know who is in charge. The Lobbyists Registration Act does make a lobbyist register who they are lobbying with within the department. Are they seeing the deputy minister? Are they seeing Mr. Dodge? The Canadian public should know that after a meeting with Mr. Dodge he changed his mind on a certain issue or that his recommendation changed. There is nothing wrong with that. That is a positive. That is not a negative and yet the government will not put that in.

We have about three or four strong recommendations for the bill and we will continue to put them forward in the interest of all parliamentarians and in the best interest of some lobbyists. There may be some former politicians who after a couple of years off could come back and be lobbyists, and they would be darn good lobbyists, to help their reputation, to help them build on the experience they have gained by working in government so they can help other Canadians. Through open disclosure and the rules working both ways, I believe the bill could help a lot of people within government.

The bill is another example of the feel good, talk good, do nothing government that likes to tell us everything it is doing is wonderful and there is no room for improvement. I am sorry to hear that. With my intervention today I hope maybe one or two of these suggestions I have made may stick, although I rather doubt it.

The Acting Speaker (Mr. Kilger): Before I go to questions and comments, the hon. member for Calgary Centre in his intervention used the word "sophistry" and really piqued my curiosity. He did describe the meaning of the word but I had to go through Webster's new dictionary of synonyms and the concise Oxford dictionary to find out exactly the meaning of the word.

On another note, at one point in his intervention he asked the Chair to participate in some way in the debate by nodding. The last time I nodded I was at a friend's farm and ended up buying something I did not want and have never used since.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, that was a very wise ruling on your part. I will try to remember it when I attend the next farm auction as well.

• (1835)

He indicated he favoured the removal of the tiers for the different categories of lobbyists for the purpose of registration. This subject came up some minutes before the member started his speech. I have to repeat a question I asked of another hon. member.

The Dairy Farmers of Canada and a number of other groups testified before our committee. They indicated it was unfair to apply rules to them. I can imagine it would be unfair to apply to the Dairy Farmers of Canada and to the Canadian Federation of Agriculture and the Red Cross the same kind of rules we would apply to Earnscliffe or S.A. Murray Consulting or any one of those consultant lobbyists. The member has advocated we should do this.

Does he not agree that for the kind of groups I have identified the requirements should be different? If he agrees with me, why is he making this criticism?

Mr. Silye: Mr. Speaker, I appreciate the question and the intervention. It was a very good comment. I do not agree with the member because if these groups are asked to come to the standing committee or if they come to the House and go through the offices of members and want to give information, that is okay if it is strictly giving information. However, some are here to influence MPs, to lobby MPs. A lot of people come into my office and try to set up meetings to tell me what their problems are, what the solutions are and to suggest what I should consider, that maybe I should vote a certain way on a bill.

As soon as they start talking about how I should vote or how I should look at a certain situation that basically is influence peddling.

Mr. Boudria: That is a criminal offence.

Mr. Silye: I should not say it is influence peddling. Somebody said it is a criminal offence to influence peddle. I take that back. As I have said, I am a rookie. I do not know all the terminology.

When they come here to influence the Department of Transport or the Department of Health or whatever department, for example a pharmaceutical lobbyist or someone lobbying for agriculture, if it is for information it is okay but if it is to influence the department or the ministry or affects any kind of decision before the government, they should register. What is wrong with registering? I do not see why they would object to that.

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I as well know a bit about sophistry. Sophistry is a lot of rhetoric, knowing how to use words that mean virtually nothing.

In this case when we are talking about lobbying it is a very serious issue in spite of the fact that the project under study, Bill C–43, does not have any teeth. I ask the member what he thinks about nepotism. We have been examining over the past couple of weeks the fact the Prime Minister would actually arrange to favour a firm owned by his nephew. That is a clear and flagrant case of nepotism. No one can doubt it. No one should doubt it. It is not only apparent, it is difficult to argue otherwise being that the whole system is filled with people closely connected to Power Corp. or closely connected to the Prime Minister who have actually acted in a very exceptional way overturning a decision by the CRTC. This is the first time in history. One really has to have a lot of power. We are not talking about the average lobbying firm. We are talking about corruption in high places. We are talking about a Prime Minister favouring the firm of his nephew.

In spite of the fact it is quite obvious, high stake patronage and corruption, the Liberal government finds this to be a subject of humour. This is a flagrant example of the misuse and abuse of power.

What I would like to ask the member—

Mr. Fontana: Mr. Speaker, I rise on a point of order. I am sure on careful reflection of the blues the use of such words as "corruption" are unparliamentary. I think the member ought to apologize now. If he does not have the guts to do that, he should step outside and use those words—

The Acting Speaker (Mr. Kilger): Order. Let me take things in reverse order. I appeal to the hon. member who just had the floor, in the spirit of parliamentary language the word by itself is not unparliamentary. However, some words that come to mind which would replace the one I heard are "courage" and "fortitude" as opposed to the word used by the hon. parliamentary secretary.

With regard to his initial appeal as to whether a word was unparliamentary, I did not hear of any one word that was unparliamentary, and I was listening with a great deal of attention.

However, the time has elapsed. I have taken into consideration the 13 minutes I had to allow for the ministerial statement.

It being 6.43, we will now move to the adjournment motion.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

JOB CREATION

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, on February 24, I asked the Minister of Human Resources Development a question concerning the inactivity, the inertia of government in the field of economics and the fact that it could not just sit back and let the economy do the work.

At that time, in February, I indicated that, according to the latest report of the Quebec's Ministry of Income Security, there were 797,000 welfare recipients in Quebec alone. We learned last weekend that there were 808,000 in April. We also know that, last month, the unemployment rate rose to 12 per cent. These figures are very disturbing. In February, the minister answered that the government had created over 433,000 jobs.

I then said to the minister that it was extremely unwise to use monthly statistics comparing February of this year to February of last year because we all know that the only reliable figures in this case are annual data. Now the annual data for the year ending January 1995 show that only 261,000 jobs were created. That is not much.

• (1845)

It is certainly not much because the previous government, at the same time after the last recession, had done more and better. So when we say there are now 808,000 welfare recipients where there were 797,000 two months ago, replying that the economy is creating jobs—and that it is fantastic—is frankly insulting. It is insulting for all those who are desperately looking for work, those who cannot receive unemployment insurance because of the new eligibility rules introduced by the government, for those who lose their unemployment benefits earlier than they used to and have no other choice but to go on welfare.

A great number of people have lost hope. Those people want to know that we care for them, and for a great many of those people at this very moment in Quebec, sovereignty is the only way to really achieve something. This has to be known.

So, while the Prime Minister said over the weekend that he wanted to deal with real issues rather than talk about the constitution and that it was a shame that the Parti Quebecois wanted only to talk about constitutional matters, I say that the Parti Quebecois does not want to discuss constitutional issues but to take the necessary means to finally deal seriously with unemployment.

Many people who are convinced and all the Prime Minister is doing is showing that we are right. Despite the fact that 808 000 people are on welfare and 12 per cent of the population is unemployed, the Prime Minister says he is impatient to deal with the real issues. This government has been in office for 18 months. What is its record? Are we back to the employment level we had before the recession, consistent with population growth? No.

A lot of people are disheartened by this situation. For a lot of Quebec workers who want to improve their fate, their only chance is really to undertake to do everything by themselves.

We could have expected this government to tackle the problems, since it still has to prove that its promises mean something. But it decided instead to let the economy fend for itself. It simply let business make drastic cuts. It let businesses close their doors. In matters of job creation, it is satisfied with results that are inferior to what the previous government had reached, and it is not taking into account the population growth.

In other words, the present government's record is much poorer than that of the previous government, which was not that hot in the first place.

It is intolerable to be told that everything is going beautifully, because over a million Quebecers are experiencing tragic situations, and need jobs to improve their lives.

[*English*]

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Mr. Speaker, the federal government recognizes the very large economic and social costs associated with high levels of unemployment. Since it took office in October 1993 it has worked very hard to create the climate necessary for jobs and economic growth.

A number of measures have been taken to stimulate employment growth in Canada. These include putting in place a joint federal–provincial–municipal infrastructure program; rolling back the planned increase of UI premium rates, thereby lowering a major barrier to hiring new people; signing the first ever agreement to reduce internal trade barriers between the provinces and the territories; launching a national tourism program to stimulate job creation in tourism related industries; introducing a number of measures to encourage the development of small and medium size businesses, the main engine of job growth; and creating the youth internship program and Youth Services Canada to smooth young people's transition from school to work, thereby reducing the high rate of youth unemployment.

Last fall the Prime Minister also led a very successful Team Canada trade mission which brought home opportunities that will create thousands of jobs in Canada and Quebec. Three months ago the Prime Minister led a second trade mission to the dynamic economies of Latin America.

The result so far shows that our employment growth strategy is working. Since October 1993 over 430,000 additional new jobs have been created across the country. The unemployment rate declined by almost one full percentage point in 1994 compared to 1993. Even though employment growth has slowed in the last few months, economists are forecasting a continuation of strong employment growth this year and again in 1996.

I can assure the hon. member opposite the federal government is committed to continuing its effort within the tight fiscal constraint it is facing to help Canadians find and keep their jobs all across the country, in Quebec, Atlantic Canada and the west.

If the member wants to participate in making possible a constructive economy she should stop talking about separation in the province of Quebec, along with her colleagues in the separatist party, and start talking about creating jobs for the people of Quebec.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.52 p.m.)

HOUSE OF COMMONS

Tuesday, May 2, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

EXPORT DEVELOPMENT CORPORATION

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I am pleased to table, in both official languages, a summary of the Treasury Board report on the transactions relating to Canada's accounts for the fiscal year 1993–94 by the Export Development Corporation.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to five petitions.

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present the report of the Canadian branch of the Assemblée internationale des parlementaires de langue française, as well as the financial report concerning the branch meeting and the meeting of the Commission des affaires parlementaires of the AIPLF held in Bamako, Mali, on March 6 and 7, 1995.

* * *

[*English*]

PETITIONS

CRTC

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, it is my pleasure to present a petition from approximately 30 members of my riding. The petitioners are opposed to the marketing practices of their cable company, more particularly the negative option approach that was used prior to Christmas.

The petitioners call upon Parliament to instruct the CRTC to review the entire manner in which the cable television industry has offered the new specialty channels. They feel that the CRTC should compel cable television companies to provide subscribers with the option to pay for the new channels if they want them, separate from the current channel package.

YOUNG OFFENDERS ACT

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, it is my pleasure to introduce in the House a petition signed by many of my constituents in the riding of Ottawa Centre. The petition deals with young offenders and the Young Offenders Act.

• (1005)

BILL C–41

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to present two petitions from my constituents in the riding of Comox—Alberni. The first contains 114 signatures. The petitioners request that Parliament not pass Bill C–41 with section 718.2 as it is presently written, and in any event not include the undefined phrase "sexual orientation".

SEXUAL ASSAULT

Mr. Bill Gilmour (Comox—Alberni, Ref.): The second petition, Mr. Speaker, which comes from all across Canada and contains 1,000 signatures, making a total of 4,100 signatures to date, states that the undersigned request that in memory of Dawn Shaw, the six–year–old girl who was murdered in my riding of Comox—Alberni, this petition be brought to the attention of Parliament.

These petitioners request that Parliament enact legislation to change the justice system to provide greater protection for children from sexual assault and to ensure conviction of offenders.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—CANADA SOCIAL TRANSFER

Hon. Lucien Bouchard (Leader of the Opposition, BQ) moved:

That this House denounce the will of the federal government to restrict the provinces to the role of mere consultant by imposing on them new national standards for all social programs through the introduction of the Canada Social Transfer, which will enable the federal government to interfere even more in such areas as health, post–secondary education and social assistance, all of which come under exclusive provincial jurisdiction.

He said: Mr. Speaker, this motion is presented by the official opposition as part of a very important debate that started recently with the tabling of Bill C–76 by the federal government.

We are accustomed to seeing all sorts of things in politics, but I must say that in this case, the discrepancy between what the government says and what is actually going on is beyond belief.

Last Sunday, at a meeting of the provincial wing of the federal Liberal Party in Trois–Rivières, the Prime Minister made an extremely aggressive speech—and this is an understatement, considering the tone and the content of what he said—in which he accused the present Government of Quebec of ignoring the acute poverty problems of Quebec. The Prime Minister based this accusation on the fact that Quebec has a very substantial level of poverty, borne out by the announcement the week before that more than 800,000 people in Quebec were living on welfare.

The Prime Minister exclaimed, to the sound of thunderous applause by his supporters, that the Government of Quebec was to blame, the government of Mr. Parizeau who was so obsessed with the referendum question on sovereignty that he ignored his basic duty which was to deal with the issue of poverty in Quebec.

Personally, as I listened to the news Sunday night on television, I had the impression that I was watching an arsonist accusing firefighters of doing a poor job, because in this particular case, the government that is most at fault, a government that, since it came to power, has been totally aggressive in its treatment of the vulnerable and unemployed members of our society, a government that has done more than any other to aggravate poverty in Canada and Quebec especially, since Quebec is still part of Canada and is still in a position to be treated this way by the Canadian federal system, by decisions that are made in Ottawa, that government has hit hardest at the unemployed.

We had an election campaign in which the Liberal Party of Canada very skilfully read the mood of the people and realized that Canadians and Quebecers had serious concerns about jobs, maintaining social programs and maintaining the federal government's contribution to the implementation of its own programs. The Prime Minister managed to get elected on the basis of three words, which were always the same: jobs, jobs, jobs. All this is in the so–called red book which contains the Liberal government's promises.

• (1010)

However, for some time now there have been no more references to the red book. I remember that during the first year we were here in the House, practically every speech by a Liberal minister or member ended with an enthusiastic reference to the Liberal Party's commitments in the red book. The red book has now become invisible. All we have now is a black list of social program commitments abdicated by the Liberal government.

The facts are there. The figures are eloquent and irrefutable. What has this government done to alleviate the problems created by poverty? What has it done? In fact, every action taken in the budget, every policy is aimed at aggravating the situation.

Let us go back to the beginning. In January 1994, the Liberals tabled Bill C–3 which extended the ceiling on equalization payments, so that the provinces would receive $1.5 billion less during the next five years. We have no figures for this year, but experience has shown that when equalization payments are cut, Quebec has to pick up at least 40 per cent of the slack.

There is more. This was a good start, but there is more. In February 1994, the federal government's first budget did what? It started by cutting $5.5 billion at the expense of the unemployed, which means the UI system had to do without $5.5 billion, while an additional $2 billion was cut at the expense of welfare recipients and the education system, all in the same 1994 budget for the years 1994–95 to 1996–97.

Furthermore, according to an internal document of the Department of Human Resources Development, in 1995–96, Quebec alone will be stuck with 31 per cent of the cuts in unemployment insurance benefits made in the Liberals' first budget. This is stage two of the federal Liberal plan to aggravate the situation of the poor and the vulnerable in our society.

Now, Mr. Speaker, we come to the February 1995 budget, a federal budget carved out with a really sharp axe. It reduced program funding transferred to the provinces by an additional $7 billion, and this translates into a reduction in benefits for people on welfare, for students and the sick. In addition, funding for the unemployment insurance system was cut by another $700 million. You may say that is quite a sum. I just hope that enough is enough. But no, I do not think that the Liberals will stop at

that, because one group has not been hit hard enough in their opinion, and that is seniors.

Obviously, in this case, they realize how sensitive the issue is, that it is particularly despicable and that they are walking a fine line between what is acceptable and what is unacceptable. Nevertheless, they will not hesitate to make the move because they have already announced it. They said in the February 1995 budget that they were going to re–examine the old age pension plan. Who could be so naive as to think that a government which has done nothing but cut social programs since it came to power will actually increase old age pensions when it scrutinizes that program? Nobody.

Therefore, why the review if they are not going to increase pensions? The answer is quite clear. They are reviewing them in order to axe them. Obviously, old age pensions will not be spared by the Liberals, who realize that after cutting funding for the sick, recipients of welfare and students, another potential target for cuts remains: pensioners.

They accuse me of demagogy. But, after citing all those facts and figures, I challenge any Liberal member to stand in front of me and deny even by one iota what I have just said, because I have just given a truthful rendition of the Liberals' actions. It is recorded in the public accounts, it is written in the reports to the House. It is part of the harsh, day–to–day reality of all those who suffer the consequences of this reprehensible attitude towards social programs.

• (1015)

I regret that the government decided to hit old age pensions. It is obvious that the government is initiating a far–reaching operation, but it will encounter an opposition blockade when push comes to shove.

At any rate, they have already cut the net income of seniors by $500 million through the tax increase they imposed on them in the 1994 budget. And the same Prime Minister leading the same government stepped up to the microphone one fine Sunday at the end of April in Trois–Rivières in Quebec, in an area hard hit by this problem, to say to hundreds of people frantically waving small Canadian flags that the Government of Quebec and the sovereignists are to blame for this.

Quebec is not yet a sovereign state. Our current state of affairs and all of our problems and social traumas are the federal regime's doing.

To refresh the memory of Liberal members, the truth is that for the next three years, if we add up all of the cuts contained in the last two budgets, Quebec will be deprived of close to $10 billion in social program financing for those years. It will be deprived of $9.7 billion, I repeat, $9.7 billion. That is what the arrival of the federal Liberals in Ottawa has brought.

We can look at all of this in terms of percentages, one simple figure to sum up the past 15 years. We all well know that the federal government has justified its existence and seen its role in relation to its contribution to social programs for a long time now. This used to be one of the federal regime's good points, which, we recognize, helped to make this country more civilized and a place in which wealth was more evenly shared and the less fortunate were treated with compassion. But for 15 years now, this has no longer been the case and the government has been moving away from these principles at a dizzying pace.

Take Quebec for example. In 1980, the federal government's share in funding for Quebec's social programs was close to 50 per cent. In 1997, the government's share will be only 28 per cent. This represents a drop of close to half of its contribution, an amount that will continue to shrink because we know that the federal government is leaning towards withdrawing its share of funding for programs, although they are essential.

Figures do not lie. We are talking about statistics, amounts of money, resources and percentages. And other figures are so much more telling, more dramatic: they are about people. In the end, it is not a matter of things being left up in the air, of things being left at a level of an academic discussion or of things not going beyond debate in the House. No, in the end, it is a matter of people getting it in the neck, and this is what the Liberals do not understand. But they used to understand, and that was one of the grand traditions of the Liberal Party, which set it apart from the Conservative Party and from the Reform Party. Now, they are all one and the same, because it means nothing to them anymore. They forget, for example, that, in Quebec, since the Liberals came to power, the number of people on welfare has increased by 53,590. Almost 54,000 more people now live on social assistance in Quebec since the arrival of the Liberals.

We are well aware that the new social assistance recipients, those new people on the welfare rolls, come from the ranks of the 40 percent of former UI claimants whose benefits were cut off. This too is one of the fine achievements of the Liberal Party in Ottawa. Not only did they reduce unemployment insurance benefits, they raised unemployment insurance contributions. What is more, they tightened restrictions so that fewer and fewer people can access UI benefits. Conclusion: people have stayed on welfare.

When the Prime Minister, whom I might call the social arsonist, arrives in Trois–Rivières and blames the Government of Quebec for the increase in poverty, there is no doubt in our minds that he is the one responsible for the growing numbers on the welfare rolls through his hateful restrictions. The Prime Minister of Canada is turning people into welfare cases.

Some hon. members: Hear, hear.

Mr. Loubier: That is the truth.

• (1020)

Mr. Bouchard: So now things have to be glossed over, kept hidden, and the best way, in the government's mind, to do so is to use new terms. So we have a marvellous new term: the Canada social transfer. It was preceded by trial balloons announcing the government's withdrawal from provincial jurisdiction, its confinement to its own jurisdictions and its transfer of money to the provinces to enable them to meet their responsibilities, and the rabbit that popped out of the hat was the Canada social transfer.

We might have wondered what was happening at the beginning, but now we know, because it is in black and white in Bill C–76. The bill lets us know very clearly what it is all about. It is about a centralizing assault, the likes of which we have not seen since the shameful patriation of 1982. For the first time in 15 years, the government is charging ahead, visor raised, along the route of massive and unequivocal centralization. It says so in the bill.

Now the federal government will not be content just to encroach on provincial jurisdiction. It will not be satisfied with legal opinions from the Department of Justice. It will not be satisfied by merely appeasing its appetite for power. It is going to set up a legislative framework for itself to achieve its end. This framework is known as Bill C–76, legislation that is a charade as well, because it is one of the ways the federal government is concealing the fact that it is dumping its poor management onto the provinces.

It is also charade, because the government is using it to mask the extent of the cuts it is imposing on the provinces. And it is an even greater charade, because it is claiming falsely to eliminate national standards. The fact of the matter is that no bill has ever given the federal government so much power to impose national standards. This does not apply just to the traditional social programs; it is throughout the bill. For the first time, a bill explicitly provides for the federal government's imposition of standards in post–secondary education, an area that is clearly under provincial jurisdiction.

For the first time, the federal government is empowering itself to say: "I do not like this educational program. You will do it this way, or I will cut funding". Same thing for social programs. Do not just take my word for it. Many observers and analysts have noted and seen very clearly that the aim of the exercise is to confirm the $7 billion cuts announced for the next three years and to give the federal government the power to dictate the set–up of the provinces' social programs to which it will be contributing less and less.

I said authoritative voices have said this. I will quote, for example, Lise Bissonnette, who wrote the following in an editorial in *Le Devoir* last week. She said: "According to Bill C–76, post–secondary education is now comparable to a social program. The bill allows Ottawa to apply national standards, in this area, as in others. The provinces, whose jurisdiction over education is as clear as it can be in the Canadian Constitution, are at best assured of consultation".

La Presse agrees with *Le Devoir*. It may reassure the Liberals to know that in the March 31, 1995 edition of *La Presse*, Chantal Hébert writes, "With the bill tabled in the Commons to implement its February budget, the federal government opens the door to the unilateral imposition of new national standards in areas such as post–secondary education, child care, etc. In fact, Bill C–76 now restricts the provinces to the role of mere consultant in this exercise. The bill has no provision requiring the provinces' prior consent to the introduction of new national standards for social programs".

In *Le Devoir* of April 21, Conrad Yakabusski himself writes, "Although Ottawa boasted in its February 27 budget of having freed the provinces of Canadian standards in the management of social programs, the Chrétien government now wants to make them adhere to a whole series of new national principles that would apply to a wider range of programs. And although it claims it wants the provinces to comply voluntarily with these principles, the federal government is about to give itself the powers it needs to impose them in case the provinces refuse to do so".

In closing, I will also quote Giles Gherson, principal secretary to Mr. Axworthy, the Minister of Human Resources Development, who said, "What would occur after the failure of negotiations aimed at setting national standards remains ambiguous".

• (1025)

The bill that is the subject of today's motion clearly shows what will occur if the announced negotiations between the federal government and the provinces do not result in an agreement. Without an agreement, it is clear that the government will find in this bill all the latitude and power it needs to impose its standards. I am very concerned when I hear that it is preparing to tell provincial governments like that of Quebec that if they do not comply, their funding will be cut off.

Meanwhile, a historic, essential process is unfolding in Quebec: the preparation of a referendum on sovereignty. It is not every day that a people can decide whether it should face its future as a sovereign people or a province. Quebec will do this in the fall. The federal government, which has the nerve to tell us it will propose a type of flexible federalism after the referendum, is clearly showing us today what Quebec can expect if it stays in the Canadian federation.

If Quebec stays in the Canadian federation, we can expect to live under the boot of the federal government, to let federal bureaucrats and politicians set standards for Quebec's social and education programs. They have the nerve to say this to us now, when we are on the verge of making our decision. I can tell you

that Quebecers are taking note of this and that this will weigh heavily in the outcome of the Quebec referendum.

Some hon. members: Hear, hear.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I listened carefully to the remarks made by the hon. Leader of the Opposition. It is pure demagoguery. I said so during his speech earlier, but I repeat it now for the whole House to hear because this is how I feel about it.

I must say that quite extraordinary things were just said. We have just heard the Leader of the Opposition talk about new terms. The Leader of the Opposition, the expert in newspeak, as Mr. Orwell called it in his novel entitled *1984*, accused the government of using new terms. Members opposite, who are afraid to use the word separatism and use sovereignty instead, who do not want to hold a referendum unless they are sure of winning it, while rejecting federalism, talk about a federalist sovereignty, which means sovereignty with a federal parliament—you can see the distinction: a federalist sovereignty, but not federalism. That is the difference in the world according to the Leader of the Opposition.

He spoke of massive centralization, while social groups come to Ottawa to denounce what they describe as a restriction of federal powers resulting from Bill C–76. I say that they are both going too far. There are those who, like the Leader of the Opposition, are prone to exaggeration by nature and see the devil at work everywhere. While he, naturally, sees excessive federal presence just about everywhere, others, on the other hand— This is a very serious issue and if the members opposite think otherwise, maybe they should listen to something else than their leader's speech.

I have a question for the Leader of the Opposition. He denounced what he called national standards in child care.

• (1030)

I heard him speak in support of what reporter Chantal Hébert said. In his remarks, he supported her position, coming out against so–called national standards supposedly set in the bill on child care.

I wonder if he can think back to the election campaign in which he himself ran, in June 1988. Does he remember that there was a bill before the House at the time, a Conservative bill to establish a national child care system, and that he voted for this bill, that he went on to campaign with Mr. Mulroney and that, during the campaign, the public was told that the bill had to be dropped after third reading, after being adopted by the House, because the Senate had asked for one more day to consider the bill in committee? How could he get himself elected in a government that wanted to establish a system that he now accuses others of trying to impose?

Mr. Bouchard: Mr. Speaker, first, I want to make two comments on the hon. member's preamble regarding a winning referendum. Indeed, there is a fundamental difference between Ottawa's federalists and us, Bloc members and sovereignists in general. The difference is that we want a winning referendum, so that Quebecers can be a fully sovereign nation, like a normal people. We know full well that federal Liberals want a losing referendum.

The federal government hopes that Quebec will once again go down on its knees, so that it can satisfy its centralizing needs and finish the dirty job started in 1982.

As for social groups, the member tells us that they come in droves on Parliament Hill to urge the federal government to impose even more standards on the provinces. First, we did not see much of these groups and, second, I think the member is mistaken.

These groups are not asking the federal government to set bureaucratic rules and increase its bureaucracy to control the provinces. They are asking the Liberal government to pursue its efforts, so that provinces can maintain civilized social programs which make sense. This is what people are asking the federal government.

I have a suggestion for the Liberal member who just made that statement. When he meets with social groups making such complaints about the provinces while extolling the virtues of the federal government regarding social programs, he should provide them with figures indicating what the Liberal Party has done to them in the last two years. He should tell these groups that this Liberal government made drastic cuts in the UI program, that it also made cuts in social programs through transfer payments, that the situation will get worse year after year, and that his government is also about to target old age pensions. If the member tells these facts to social groups, they will go back to their provinces, because that is where their interests are best served. Indeed, the effort is primarily made at that level, thanks to the generosity and compassion of Canadians and Quebecers, not at the level of federal bureaucrats and politicians, who are constantly finding new ways to stop contributing to that effort.

Thirdly, the child care program goes back to 1988, which is some time ago, but I clearly remember it. The legislation included provisions giving full scope to the provinces, while respecting their jurisdiction. It is the Liberal Party which instructed its majority in the Senate to block this $5 billion initiative designed to set up a true child care program.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I would like to ask the Leader of the Opposition a straightforward question.

If the federal government gave provinces exclusive jurisdiction over health, education, culture, language and immigration as per the Jean Allaire report, would the Leader of the Opposi-

tion then withdraw his pursuit of separation and agree to recommend to Quebecers to stay in Canada?

[*Translation*]

Mr. Bouchard: Mr. Speaker, we will all agree that it is a purely hypothetical question.

• (1035)

We only have to look at the Liberals opposite; they are petrified at the thought that these issues might be raised in the House. The track record of the Liberals, the federal government, the federal system and the efforts made to renew the Canadian Constitution and federalism has consistently been dismal.

I will be frank with the the member; I would have been delighted by such an offer when I was a federal minister and I would certainly have accepted it since I was ready to accept the Meech Lake accord, which did not even go that far. But, since we could not have the absolute minimum, we will never have the maximum. We will not settle for anything less than Quebec's sovereignty .

Some hon. members: Hear, hear.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, you know, when you are the finance minister, when you hold an economic portfolio in a government, and even when your portfolio is not an economic one as was the case for the Leader of the Official Opposition, you really care about people's priorities.

Obviously, the priorities of Quebecers, and Canadians as a whole, are job creation, and a meaningful future for their children and their fellow citizens. This is why it is so disappointing for Quebecers and Canadians to hear, day in and day out, the Leader of the Official Opposition and his acolytes talk about a political agenda which has nothing to do with the well–being of Quebecers.

This is why it is so disappointing not to hear them talk about deficit reduction, fiscal restraint, new technologies. They never talk about the environment. They never talk about what really matters to the Canadian people because they have a political agenda which creates uncertainty and has nothing to do with a country's true objectives in an increasingly interdependent world.

As a result, once again, we are presented today with an empty shell. The opposition really wants to waste the time of the House when it should be dealing with the real challenges facing our country and debate issues other than the fruit of the Bloc's imagination.

Let us be perfectly clear, the objective, the plan of the federal government was clearly laid out in the budget speech. In the budget speech, which can be read in both official languages, one can see that it does not intend to impose anything on the provinces, or deliver the goods in the manner unfortunately described by the Leader of the Opposition in the speech he just made.

Let us be clear, under the new system, there will be fewer conditions governing the use the provinces can make of transfers. The provinces will no longer have to abide by rules specifying which expenses are eligible for cost–sharing and which ones are not. They will be free—let us be clear about that—to adopt innovative mechanisms regarding social security reform according to their own priorities.

A more flexible needs test will allow the provinces to make income support and non–monetary benefits more universally available to low income earners or to people who were on welfare and are entering the labour market. It is for these people that we are here. It is for these people that we made these amendments. It is these people that each and every politician in this House should care about, instead of trying to deceive Quebecers with a political adventure creating constant uncertainty in a world in great need of more certainty.

• (1040)

Federal subsidies could be used to support, for example, the PWA program in Quebec and other types of income supplement programs for low income families and workers. That was not the case previously. Also, the Minister of Human Resources Development will invite all provincial governments to work together, through mutual consent. This means that absolutely no condition will be imposed to the provinces. Mutual consent means mutual consent. Both parties will have to be in agreement. They will meet to develop a set of shared principles and objectives that could underlie the Canada social transfer.

Through today's motion, the official opposition is trying to turn our project, which was so well received by the people in Quebec and in all of Canada—

Some hon. members: Oh, oh.

Mr. Martin (LaSalle—Émard): —to turn the development of a set of shared principles into a contrived issue. These hon. members would like the House, Quebecers and Canadians to believe that this whole process is nothing but a plot to underhandedly impose new conditions, methods or penalties. Mr. Speaker, I want to tell you that it is not so.

Just in case the Bloc members were daydreaming that day, although I do not believe so, let me remind you of what I said during the budget speech I delivered on February 27, 1995: "I will be inviting all provincial governments to work together on developing, through mutual consent, a set of shared principles and objectives that could underlie the Canada social transfer". This is exactly the commitment we are making in Bill C–76, without adding or deleting anything.

Of course, if there are problems, we will introduce amendments, but the goal of the government is clear: we do not want to impose anything on the provinces, we want to help the provinces and the federal government to put their financial houses in order and to give provinces a lot more flexibility. This is why I am so pleased to confirm today what the opposition leader has a little trouble with, which is our commitment to propose to the appropriate committee the following amendments.

To establish interim arrangements to finance social programs in a manner that will increase provincial flexibility. The amendment reads as follows:

> Maintaining the national criteria and conditions in the Canada Health Act, including those respecting public administration, comprehensiveness, universality, portability and accessibility

and the provisions relating to extra–billing and user charges.

Also, to apply the national criterion stipulated in section 19 which requires or allows no minimum period of residence as a condition for eligibility for social assistance. The amendment reads as follows:

> Promoting any shared principles and objectives that are developed, pursuant to subsection (3), with respect to the operation of social programs, other than a program for the purpose referred to in paragraph (*b*).
>
> The Canada Health and Social Transfer shall consist of, (a) a federal income tax reduction in favour of the provinces that would enable the provinces to impose their own tax measures without a net increase in taxation; and

• (1045)

> (b) a cash contribution not exceeding the amount computed in accordance with section 14.
>
> The Minister of Human Resources Development shall invite representatives of all the provinces to consult and work together to develop, through mutual consent, a set of shared principles and objectives for the other social programs referred to in paragraph 1(*d*) that could underlie the Canada Health and Social Transfer.

[*English*]

When I spoke on the budget I made it clear that the government's objectives were to clean up the nation's finances, to put the country once again on a sound financial footing and, at the same time, to give the provinces far greater flexibility in the elaboration and the design of a multitude of social programs.

We made it very clear we were imposing only two conditions on that transfer. The first was that the objectives of the Canada Health Act must be respected. It is a covenant of the government with the Canadian people. We will never allow that to be taken away.

Second, the only standard that would be imposed on other social transfers would be that no minimum residency requirement be necessary for CAP. We would not allow provinces to take welfare away from people because they had not had a long term residence within that province.

[*Translation*]

I said very clearly in this House that we had no intention of imposing anything else on the provinces, that we had no intention of imposing new national standards, that the minister simply wanted to sit down with his provincial counterparts to discuss freely with them issues such as Canadian values and the smooth running of both federal and provincial governments.

It is hard to understand that, with all the opportunities we have of working together to create jobs for our young people and to reduce poverty in Quebec, the members opposite have chosen to sidestep this issue. They come here with an artificial problem that has nothing to do with the truth and the reality of our country and of our budget.

[*English*]

The Bloc Quebecois is the official opposition. It has a responsibility to Canadians to speak for the nation. Members of the Bloc Quebecois talk about having an economic union. They talk about working with Canada. Let Canadians understand the way members of the Bloc Quebecois see working. Will they speak for the nation? No. Will they speak for national interest? No. Will they speak for Canadians' desire to have jobs? No. Will they speak for those who would take Canadians out of poverty and give our children a chance for a decent life? No.

What do they do? Day after day they come into the House and stand up with artificial questions that have nothing to do with the Canadian reality. Day after day they come in, as they have done today, and make up a problem. This country has problems.

[*Translation*]

We do have problems. We do not have to invent them. Why not work with us to solve the problems we have as a country? Why not join Canadians from all the provinces in saying that the real challenges lie beyond our borders? Competition comes from Japan, Germany and the United States. Competition is not between Quebecers and Albertans, but between Canadians and Japanese, between Canadians and Germans. That is where we have to look if we want to build a strong future for ourselves.

Instead of that, the Bloc Quebecois tried to create a problem because it had to find something to discuss on this opposition day. It decided that maybe it could mislead the people of Quebec by saying that the government wants to impose new national standards.

Mr. Speaker, I can assure you and I can assure the leader of the opposition that this is not true.

• (1050)

The Leader of the Opposition has been a member of the federal cabinet. He knows very well what kind of country Canada is, with an outstanding potential.

Let me be quite clear. This government is going to stand up for the Canada Health Act. There is no doubt about that. It will not deviate from that policy. It will also make sure no province imposes residency rules that would deprive Canadian citizens of social benefits.

We have also clearly stated that we do not intend in any way to impose national standards on any province through the budget or the Canadian social transfer legislation. The minister intends to have discussions with the provinces on whether there are other values or Canadian goals we should concentrate on.

The Leader of the Opposition is sidestepping the issue for political reasons that have nothing to do with the day–to–day life of our fellow citizens.

He and the Bloc Quebecois are once again looking for ways to create acrimony and uncertainty. Instead of fostering the well–being of Canadians, the Bloc Quebecois is trying to create a problem where there is none.

[*English*]

Let this country understand that the official opposition refuses not only to speak for the national interest but in this debate is refusing to speak for the interests of Quebecers.

There is no intention to impose anything on any province. There is one intention and that is to create jobs. There is one intention and that is to give our children a decent future. There is one intention and that is to protect the Canada Health Act. There is one intention and that is to make sure that residency is not a condition for welfare. There is one intention and that is for this country to realize every bit of its potential. It is to give this country and its citizens the opportunities that it has as a result of the tremendous talent that exists within the ground and the talent that walks upon it. That is what this country is all about.

[*Translation*]

The time has come for Bloc Quebecois members to join Quebecers who want to build our great country, Canada.

Some hon. members: Hear, hear.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we just heard the Minister of Finance, the one person responsible for cuts in this government. He was the one who cut unemployment insurance, social programs and transfer payments. Then he has the nerve to tell us: "In the budget speech, one can see that the government does not intend to impose anything on the provinces". Has he forgotten already that he cut social programs and education by seven billion dollars for the next three years? It takes some nerve, Mr. Speaker.

It takes nerve also to say that the important issue is job creation when this government has failed completely in this area. This government has done nothing for job creation. The only job creating program mentioned in the red book, municipal infrastructures, was reduced by 200 million dollars in the recent budget.

So I believe people will have to be careful to sort out reality from inflated patriotic language and repeated protestations. Reality is extremely harsh and inescapable; it shows this government has taken a turn to the right and has decided to attack the unemployed, the have–nots of our society. It did impose 100 million dollars of additional temporary taxes on banks but, at the same time, decided to take 700 million dollars from the unemployed. This government has launched the worse attack ever against the have–nots of Canada.

So when the Bloc speaks in the interest of those people it is talking in true legitimacy. We are very proud to say what we say in this House. If we were not here, nobody else would defend social programs and the right to strike.

What we represent in this House is legitimate all across Canada.

Some hon. members: Hear, hear.

• (1055)

Mr. Bouchard: Previously, the Liberal Party and the NDP assumed that role, but the former now is the government and the later has all but disappeared. We are the only ones left in Canada, not only in Quebec but in Canada, to speak in this House for the poor, those who are the victims of this minister, the victims of this government. No ministerial or prime–ministerial speech in this House will make us forget that these people are persecuted by the federal government.

Some hon. members: Hear, hear.

Mr. Bouchard: Second, we are being told that we are wasting the time of the House by discussing Bill C–76. What an undemocratic attitude. Have we reached the point—because we are sovereignists, elected as such by the people of Quebec, democratically, 53 of us out of 75 seats in Quebec when the governing party only got 20—where we can no longer express the reasons for our being here?

Have we reached the point, now that the government is imposing new national standards in the context of an unusual legislative framework, where we no longer have the right to say that this does not make any sense, where we can no longer speak on behalf of the provinces or the poor, where we can no longer say that, yes, we are here to promote Quebec sovereignty, because we believe this is the only possible solution to extricate ourselves from the current mess, the kind of deception we are witnessing today?

I can tell you that there is not one member here who is not proud to assume this historical role, and we are confident that in the fall the people of Quebec will prove wrong those who have not yet understood the Quebec reality.

I have a question to ask the minister. He knows Quebec and, as a rule, he is quite democratic. I do not think his speech today was really democratic, but as a rule he is. He knows very well that in Quebec there is a consensus on the issue of manpower training.

We talk about a lot of things, administrative arrangements in every possible area, but there is one thing that everybody agrees on in Quebec and it is that manpower training programs and the resources devoted to them should be in the hands of the Government of Quebec.

This would do away with a lot of arguing, would prevent the neutralization of efforts and the wasting of energies. We could have better designed programs, specifically geared to Quebec needs. Everybody in Quebec thinks like this, including the leading federalists, including people like Ghislain Dufour, president of the Conseil du patronat. There is general agreement on this in Quebec.

Being a democrat and seeking the best for Quebec, as he said, what is he waiting for to convince a reluctant Prime Minister—I know he is most reluctant—to convince his government to transfer all manpower training activities to Quebec with the necessary resources?

Mr. Martin (LaSalle—Émard): Mr. Speaker, the Leader of the Opposition has just accused me of being undemocratic, of accusing him of wasting the time of the House of Commons. Let us be perfectly clear: of course, the Bloc Quebecois has not only the right but also the obligation to enter the debate on the government budget.

They certainly have the right to present their views but when, instead of discussing the budget, they create a phoney issue and make up their own budget that has nothing to do with the one we presented, I certainly agree that they are wasting the time not only of this House but also of the Canadian people.

You see, Mr. Speaker, the Leader of the Opposition is starting to change his tune somewhat. Today's opposition motion reads in part as follows: "—by imposing on them new national standards for all social programs—" That is patently untrue. The motion goes on to say: "—through the introduction of the Canada Social Transfer, which will enable the federal government to interfere even more in such areas as health, post-secondary education and social assistance". That is patently untrue, Mr. Speaker. As I said in my budget speech and in the budget itself and as I reiterated again today, there is no intention of imposing anything on the provinces or to interfere in provincial matters.

• (1100)

To make things even clearer, this morning, I submitted to this House the amendments we intend to refer to the committee that will consider the budget.

Let us set the record straight. The Bloc Quebecois's motion is a sidestepping tactic and has nothing to do with the truth. When I say that you are wasting the time of the House, it is not because you do not have the right to discuss the budget but because you are making up your own budget to better attack it. I think that we have just received a compliment. You have just shown that it is impossible to attack our budget by making up your own budget so you could attack it.

Second, the Leader of the Opposition raised the issue of transfers to the provinces. Let me tell you that when I met with provincial finance ministers, they told me, "Give us notice. Do not take us by surprise like the previous government". So we gave them two years to adjust.

Third, they told us, "If you are going to hit us, make sure that you will be hit harder". That is what we did. We made deeper cuts at the federal level than at the provincial level.

Fourth, these cuts represent less than 3 per cent of provincial revenue and less than 20.5 per cent of Quebec revenue. It must be said that, at a time when all governments must put their fiscal houses in order, we simply fulfilled our obligations.

I hope that the Leader of the Opposition will talk to the head office, because he obviously exerts a great deal of influence there, and that the next time he talks to them he will suggest that they bring down a budget designed to put their fiscal house in order to create in Quebec a climate that would help the federal government create jobs.

Since the Leader of the Opposition has so much influence on the head office, perhaps he will talk to them about their own cuts, because he is blaming us for the cuts they are making in money areas.

I think that they should not say two different things. But perhaps it is possible for the leader of the Bloc Quebecois to say one thing and for the leader of the Parti Quebecois to say another thing. We face real economic and social problems. We know that. We know about the poverty problem and we see how painful it is. We know what is happening and we want to work together.

In closing, I ask the Leader of the Opposition and the Bloc Quebecois, instead of creating phoney issues and provoking empty debates, to help us tackle the real problems of Quebec and Canada.

Some hon. members: Hear, hear.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, Canadians watching the debate today are probably not sure whether the concern here is political point making or whether it is the welfare of the people of Canada. I hope as legislators in the Chamber we keep in mind the welfare of the people we represent and the people we serve.

There are strong feelings on issues that are perhaps unrelated to the absolute welfare of Canadians. Perhaps there are agendas that would seek to use some of the issues as springboards. However it is very important today to focus on what can best be done to assist the people and to keep in mind there are needs and concerns shared right across the country.

• (1105)

We need to be honest and point out that governments can only do so much, whether it is a federal government or a provincial government. To my knowledge there has not been a government in history that has been able to eradicate poverty or has been able to relieve all citizens from hardship, from difficulty in their lives, from the insecurities of life with which we are concerned.

Somehow there is a feeling or a belief that governments can look after all of us and prevent us from facing hardships and difficulties. It is not fair to Canadians to suggest that if we talk enough, if we accuse each other enough, if we promise enough or if we fight enough, everyone will be looked after.

We can direct our minds to working together not only as legislators but as fellow citizens, to assisting each other, and to doing all we can to help those who cannot help themselves. That should be the real focus of the debate today.

There is a transition in the country with respect to security for Canadians. For quite a few years many security programs have been premised on two assumptions that have proved to be false. The first assumption is that mother government will, can and should look after its citizens, support them and protect them from all the difficulties and contingencies of life. The second assumption is that government can and should do so by borrowing money.

We have spoken so often about the dangerous assumptions and the wrong headedness of the assumptions that it is surprising we do not start from the premise right away. Clearly we do not. The reason reductions are being made in the funding of programs not just by the federal government but by all levels of government is that more and more of our income, more and more of our economic product, is being eaten up in compound interest accrued on the borrowing we have done to put the programs in place. Arguing about who did what to whom and whether cuts should be made here or there really obscures the central question of how we are to manage the situation we are in while making a firm and proper commitment to help the people who are truly needy.

My friends in the Bloc have a very legitimate point of concern which they have raised today about how the situation is being addressed. It is a situation that will not change. We are spending more and more of our income on interest payments. We are at the point where we cannot continue to fund programs on borrowed money. That inevitably leads to spending reductions. The question is not whether there should be spending reductions but how they should best be managed. If the debate today is intended to legitimately and honestly address the situation, it is very proper and very needed.

• (1110)

Quite frankly no plan has been advanced or proposed by the government or by the ministers responsible to give us a road map, a sense of direction on where we are going in light of the realities of the economy and the reality that government cannot deliver on the promises that it made in the past to be all things to all people and to preserve and protect us in every difficulty.

I listened carefully for the visions, proposals and recommendations of previous speakers to Canadians who want security for themselves in the future. I did not hear any such proposal. I heard blame being assigned. I heard denials. I heard ridicule of concerns. However I did not hear any leader in the House say so far what he intends to do to address the serious concerns of the people.

In many places of the world the concerns of people in difficulty and distress who need relief and assistance have often been used as vehicles to promote political agendas. I hope very much that will not happen in our country. Promising people something that no level of government can really deliver is a dishonest approach to a problem that we do not want to duplicate in Canada. It also does not address what we should be and could be doing to better serve the people of our country.

The finance minister is correct when he says that the legislation put before the House to implement his budget does not impose any new national standards on the provinces. I have examined the legislation very carefully and there are no proposals for new standards. I do not believe the provinces are being required to do any more than they have in the past as far as delivery of services are concerned.

There are however two concerns which my friends in the Bloc have raised that we should acknowledge and address as much as we can. One concern is that there is no co–operative plan or process to facilitate the development of a co–operative plan to ensure the proper, effective and efficient delivery of services that Canadians need.

The government has said that it would reduce its spending and talk about what we will do together later. That is not a good service to the people. A far better thing to have done would have been to immediately work to facilitate a discussion and a co–operative approach to how services will be delivered instead of making unilateral decisions and then saying we can talk about it later. All provinces justifiably have concerns about that type of process. It could have been managed a great deal better.

The role of the federal government in the delivery of the programs has to be addressed honestly. The federal government is continuing to apply its own criteria to how the programs are delivered and to make judgments, pronouncements and give direction on how things will be structured as far as the delivery of programs is concerned. My friends in the Bloc are correct when they point out that it is an intrusion into areas of provincial jurisdiction.

• (1115)

People look for income support when they cannot provide themselves with the necessities of life. Some of these people have suffered from a catastrophic illness or they are young people who are looking for the training and education needed to build a strong future for themselves. I do not think these people really care very much about how and at what level of government these services are delivered. They simply know they need the assistance and programs that will best enable them to look after the contingencies in life.

Canadians watching the debate today have probably felt quite frustrated at the suggestions that you should do this or we should do that; that you did not do this right or they did not do it right. Quite frankly, Canadians just want to know who is going to do it right.

The principles outlined by the Reform Party suggest how we can best deliver programs and structure the spending of public money to give Canadians health and security. The programs are most efficiently and effectively delivered by the level of government closest to the people being served. I believe the people who framed our Canadian Constitution saw it that way as well. Clearly, they put these matters into provincial jurisdiction.

If my friends in the Bloc are suggesting that it should fall within the jurisdiction of the provinces to deal with matters of post–secondary education, delivery of health care services and the support of citizens who are destitute and unable to provide for themselves, then Reform completely agrees with them. These services are best delivered by the provincial government and institutions and organizations in the provinces.

It would be the federal government's role to provide equalization of the financial ability of each province to provide good delivery of those services. It would also work co–operatively to facilitate a strong, coherent approach to the delivery of those services right across the country.

This is a very mobile society. People can now move easily from one end of the country to the other and to different provinces many times in their lives. We want to make sure there are proper services, proper education, proper health care, that we are caring for people to the best of our ability no matter where they live in Canada. The federal government does have a role which is to ensure the proper co–ordination and proper delivery of services across the country.

This confrontational approach, the big stick of additional funding and threats to withdraw funding if the federal government's will is not carried out will simply not be workable in the future. We must acknowledge that. We must move to a far more co–operative approach where we simply work together as legislators at the federal, provincial and lower levels of government to simply do our job, which is to serve the people we represent and with whose money and futures we have been entrusted. We need to work together to do that well.

It both concerns and disappoints me when we quarrel and fight rather than work together for the benefit of the people we are responsible to help and to serve by making good decisions. I appeal to my colleagues in this debate to look at the practicalities of how best we can achieve the good of all Canadians rather than simply using people's legitimate needs and concerns to advance agendas which really have nothing to do with giving them the help and the kind of government they need and deserve.

• (1120)

We could work co–operatively and we could respect the decisions that have been made as to how best to help people. We could respect our jurisdictions and the proper roles each level of government has. If we could do that, all Canadians would be much better served.

As members know, the Reform Party has put forward a number of proposals to better meet the health care, education and social welfare needs of Canadians. We have done this in light of the realities we face today, in light of the fact that some of the past assumptions simply have not proven to be correct or workable. Today is not the time when I will talk specifically about those.

It should be the will of all of us serving as federal or provincial legislators, or as municipal officials, at whatever level we are trying to meet the needs and protect the interests of the citizens we serve to work co–operatively. We must work to find ways where each of us can make the best contribution for the good of our citizens, where we can bring our country together, where we can work together and build a strong future. With that in mind, I move:

> That the motion be amended by adding immediately following the word "denounce" the following: "for the sake of national unity".

When we work together in a unified way, we will best serve the legitimate and very real needs of all the people of this country.

The Acting Speaker (Mr. Kilger): The amendment proposed by the hon. member for Calgary North is in order.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I had prepared a speech but, given what I have heard here this morning, particularly from the Minister of Finance, I will start by replying to the Minister of Finance. I was flabbergasted to hear the Minister of Finance say what I heard him say this morning, when he talked about employment, compassion for the poor, people on welfare, the 808,000 Quebecers who are currently on the welfare rolls. He said, his hand to his heart, that he had done all he could to help these people and that it was our turn.

He is the one responsible in the first place for the hardship experienced by these people in Quebec as well as in the rest of Canada. It is his doing. He is the one who, out of compassion for the unemployed, cut $7 billion from the UI fund. He is the one who pushed some of the unemployed and more to come, with their families, onto welfare because of tighter requirements brought about by his cuts.

Now he has the gall to tell us to call upon our head office, in Quebec, to establish real policies to fight poverty when he himself, as the Minister of Finance, his government, and his Prime Minister in particular, are seriously interfering not only with economic recovery but also with improving the lot of the most unfortunate families in Quebec and Canada.

• (1125)

That is dreadful. I will tell the Minister of Finance right away that he better stop taking his instructions from the Power Corporation head office or that of the Bronfmans and the rest and start working for and serving the people who elected him instead of his friends, the large corporations, who benefit from a tax system of an unprecedented generosity because there are so many loopholes in it that it looks like Swiss cheese. The Bronfmans, the Desmarais and the rest take advantage of such loopholes.

I have a hard time containing myself sometimes when I see how few measures he takes and consider his personal situation, but I will not dwell on that because we, Bloc members, are too polite to engage in this kind of thing. But I find it despicable that such a man can say that he is compassionate, given that he is the one responsible for the hardship of these people.

Some hon. members: Hear, hear.

Mr. Loubier: He said that instead of creating economic uncertainty by talking about sovereignty, we should join them. First of all, he is the one creating uncertainty by not proposing budget measures. Moody's realized that in February. Moody's understood that when it downgraded Canada's rating. We truly regret that, but the agency recognized that the Minister of Finance had demonstrated his incompetence over the past year. The minister took no appropriate action for a medium–term control of Canada's deficit and debt. He is the one creating uncertainty. He is the one who is confusing the economic situation and leading the country on the road to ruin.

So, we urge him to stop talking about uncertainty, to look in his own backyard and to ask himself what he has done in the past year as finance minister to regain control of public finances, what he has done other than to offload his deficit problems onto the provinces and plan an eventual transfer of the federal government's rating cut. These are the real questions he should have asked this morning.

Coming back to Bill C–76, the legislation maintains the national standards in the health sector, and introduces new national standards in the areas of social assistance and post–secondary education. If the provinces do not respect these standards, the federal will cut their funding as it did to the unemployed and welfare recipients, and as it is about to do to our seniors. These measures would limit the provinces' autonomy in their own jurisdiction and would apply to a sector as vital as education for Quebec's cultural identity.

The Minister of Finance proved us right this morning when he came up haphazardly, in an almost unprecedented fashion in this House, with a series of amendments which he intends to eventually table. We do not know when for the minister was so flustered that he did not tell us. But he proved us right. He told us that we were right to fear federal interference in areas which come under Quebec's exclusive jurisdiction, such as education and social assistance.

The Minister of Finance intends to eventually table amendments. We will wait for these amendments. So far, nothing is official, but the minister felt cornered. He knew that the official opposition was right, and is always right, because we are dealing with a bill. So, the minister hurriedly came up with these things in an off–hand, almost arcane manner.

Try to imagine—we are referring to Bill C–76—what it means to have Canada's English speaking majority impose education standards on Quebec. Do you have any idea of the implications? Try to imagine what it means to Quebecers, given our particular historical background.

Canada–wide standards in education would mean that Ontario, Newfoundland and Canada's English speaking majority would define, to some extent, Quebec's education system, a system which perpetuates our identity and our culture from generation to generation.

Can you imagine for a moment Clyde Wells, in Newfoundland, and his elected friends in Ottawa, his associates and accomplices, defining the content of Quebec's education system through the direct use of Canada–wide standards? Does this mean that, for post–secondary education, we would only have 25 per cent control over decisions, while being constantly blackmailed by the federal government regarding the level of transfers?

• (1130)

Through this bill, the finance minister and his government are pursuing two aims: first, to crush the legitimate claims of the Quebec government in its own jurisdiction, a fight that has been going on for at least 30 years; and second, to hide from people of Quebec and Canada the real situation with regard to the cuts in the transfer payments to provinces and the impact of these cuts for next year in particular but especially two years from now.

The government is seeking to hide the real situation about the budget transfers as a whole by talking about cash transfers, not tax point transfers. The Minister of Finance is confusing the population when he says that transfers will not decrease over the next few years, because he is talking about tax points and cash transfers whereas only cash transfers should be considered. That is what the federal government has under its control. That is what the federal government can use to blackmail provinces, not tax points. Even the government agrees that tax points are there to stay. They are provincial entitlements. So he mixes everything up, tax points and cash transfers, resulting in a distorted picture of reality.

Here is the reality. The financial transfers as a whole, meaning the federal cash transfers paid to the Quebec government, will decrease by 32 per cent—and this is not peanuts—from 1994–95 to 1997–98 because of the cuts in transfer payments to provinces. It is important to understand that these transfer payments are not a gift from the federal government but are taken from the $30 billion paid by Quebec taxpayers to the federal government.

I have to point out that these taxes have increased to such an extent since 1982 that it is incredible that the finance minister, who has been in charge for 16 months now, has not thought about considering the situation with regard to taxation. Since 1982, taxes paid by Quebec taxpayers to the federal government have increased by 143 per cent, whereas federal transfer payments to Quebec, cut year after year, and even more since he became finance minister, have increased by only 50 per cent.

On the one hand, taxes paid by Quebec taxpayers have increased by 143 per cent, to $30 billion at present, and on the other hand, transfer payments have increased by approximately 50 per cent over a 10 year period. That is the situation. It is tangible evidence that this system is not working. When taxes are raised so steadily while the rate of growth of transfers is being reduced, surely there is a problem somewhere, there are inefficiencies of some kind and some chronic malfunction in the system.

In the coming year alone, cuts announced in the last budget of the Minister of Finance will result in losses in revenues of $1 billion for Quebec. The direct impact of transfer cuts amounts to $650 million and the indirect impact, to $450 million. In 1997, the shortfall resulting from the federal budget will stand at $2.4 billion.

When we see such things, when we realize the federal government wants to quell legitimate aspirations of the Quebec government and that, at the same time, it is trying to hurt the Quebec fiscal situation and make it even more difficult for the Quebec government to prepare its next budget, we see the Minister of Finance for what he really is. His lack of responsibility becomes obvious. We see his centralist views, that are encouraged by his Prime Minister who took part in all struggles against Quebec during his whole political life. We now see the truth.

Through the motion moved by the Leader of the Opposition and the Bloc Quebecois, we want to restore some order so that the government will not get away as easily as it would have liked to with the shameful measures it took and the almost unprecedented attacks it launched, without warning, against Quebec and its jurisdiction.

The Acting Speaker (Mr. Kilger): If I understand the hon. member for Saint–Hyacinthe—Bagot correctly, he is going to share his time with one of his colleagues. The remarks of the hon. member will be followed by a five minute period for questions and comments.

• (1135)

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, let me point out a small mistake my colleague from Saint–Hyacinthe—Bagot made when he said that the finance minister had his hand pressed to his heart when he talked about his deep compassion for the destitute. To me, it looked more like it was hovering over his pocketbook, or more precisely over the financial interests of the friends of the government in order to protect their pocketbooks. That is how it looked to me.

Also, during the speech made by one of the members opposite, I heard a statement which is frankly beginning to try my patience. We keep hearing that Canada is the best country in the world. I am sorry, but enough is enough.

This reminds me of a family which was earning a lot of money fifteen or twenty years ago. Without thinking, they bought a beautiful house, a second home, a nice car for the husband, a nice car for his wife, but in these hard times, they find themselves crippled with debts. Everyone keeps saying that the

owners live in the most beautiful house in town, that they are the richest people in the area, when in fact, behind this facade, the owners have to scimp on child care and sacrifice their children's education in order to pay their debts. So, this best country in the world is just a facade behind which we can hardly afford child care.

Some hon. members: Hear, hear.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, let me first say that I was deeply shocked by the remarks of the Minister of Finance.

There may be words which are not parliamentary, but there are also ideas which can be best expressed by saying that the Minister has considerably distanced himself from the truth.

This budget, like the measures taken by this government, has a centralizing effect. Even though the Minister, before trying to discredit us, has made the effort to propose, in a way which is absolutely not parliamentary, amendments to a bill which he has tabled himself and which was interpreted by the reporters and by everybody who has analyzed it exactly as it was by us, he is not fooling anybody. Because we can say that the cuts to UI proposed last year by this government, by this Minister of Finance, have begun to hit people hard, particularly the young people who are not entitled any more to UI benefits because they have not worked for a sufficient length of time and the women who go back to work and who are not entitled to UI benefits either. All these workers who suddenly see their benefit period shortened and the amount of these benefits reduced have been hit hard.

People who sometimes watch these debates have experienced and continue to experience daily the effect of these cuts and they know it. But what they still do not know is that these cuts were used this year to accumulate surpluses of more than 3 billion dollars for next year and of 5 billion dollars for the following years. These surpluses will shelter the federal government from the next recession, whereas the provinces where transfers were cut dramatically will see their number of people on welfare rise.

Imagine, during this so–called period of prosperity, 5,000 more people each month go on welfare in Quebec. But there is more. Not only will the federal government be sheltered, but it has also announced a new reform of UI which will impose new cuts of $700 million next year, and of $1.5 billion the year after, on top of all the other ones my colleagues spoke of.

• (1140)

These amounts will be put into a new fund which is not mentioned in the act implementing the Budget, a fund which will be used at the sole discretion of the Minister of Human Resources Development. This fund is called the Human Resources Investment Fund and can come directly into play in provincial jurisdictions. It can focus more on employment development services, such as needs assessment, counselling services, literacy and basic skills training, training and experience in the workplace, child care support, and income supplements for people on welfare.

The truth is that this government proposes, with this discretionary fund, after having starved the provinces, to force them to take the heat because of the cuts they will have to make. It is Quebec's ministers who are being blamed for cuts which were decided by the federal government.

After that, the central government will have a fund and say: "So, you are having problems? We will—" As if the money did not come out of the same pocket. The central government will say that it has come up with a certain amount from UI premiums and employers premiums, from amounts which will have been cut elsewhere. And then, the government will be able to show itself in the best light. Not only that, it will be able to ignore the provinces' conditions.

For the other provinces of Canada, maybe this is not a problem, but Quebec is a distinct people and nation. In 1965–66, when René Lévesque was the minister responsible for family and welfare, he said that we should regain control over the family allowances program in order to transform it into a system adapted to our society and to our particular needs.

Thirty years later, far from having been able to build a system adapted to our own needs, to the particular needs of Quebecers, we see ourselves increasingly choked in the jurisdictions where the federal government forced us to retreat. Furthermore, the federal government keeps funds that are not available to pay for services that would conform to its own standards but would nonetheless be designed by Quebec so it can use it to intensify its direct action by handing out yellow cheques bearing a maple leaf.

Not only is that a move toward increased centralization, but it is a radical reform of the regime where Quebec thought that it had a state in which, moreover, it felt it was destinated to realize its potential. But the more things evolve, the more that state, which seemed to be a given, is stripped of the very means that were supposed to serve to protect the interests and the civic life of its citizens. From now on, the federal government, which has shown itself unable to manage its own affairs, wants to dispense all the services directly.

On the one hand, it wants the provinces, Quebec, to make the cuts and the painful choices that will make them look insensitive while, on the other hand, it will keep its spending power, its power to add to the debt. By using the unemployment insurance premiums paid by workers and businesses, it will be able to

impose not only its standards, but also its own programs, its own ways to deal with the needs.

• (1145)

It goes further than ever. It interferes directly, no longer through standards, no longer by requiring—as we have seen in the 40s—constitutional reforms because the only constitutional reforms this country has ever seen are those which provided for the transfer of provincial powers to Ottawa, never the other way around. Not content with having done that, not content with having starved provinces which had put in place programs according to their own requirements, the federal government is now preparing to provide these services, in total contravention of what seemed to be the beginning of a contractual relationship.

The people of Quebec, the nation of Quebec has specific and distinct needs. It is a people, a nation according to all national standards. It is a people, a nation wishing to control its own destiny because, it is unthinkable that under the present circumstances—with 808,000 persons on welfare, more than 400 000 unemployed, young people who have no longer any hope—the current situation can continue, and to be told that instead of discussing these issues, we should accept the federal government's invitation that the finance minister presumably sent us, is simply outrageous!

It is outrageous! Words fail me; it is senseless! From the very beginning the people of Quebec have always wished to obtain minimum recognition. Their efforts were always answered with a blatant and insulting no. Now, in view of the economic and social mess this country is in, a situation we are trying to get out of by any means possible, they tell us to co–operate, to collaborate. It is an insult, not for us, not for the members of the Bloc Quebecois who were sent here to defend the interests of Quebec, to protect the future of Quebec, but it is an insult for all Quebecers, for all those who are suffering from these policies, for all those who can no longer tolerate that Quebec is unable to go about it alone.

Sure, there is a debt, sure there will still be a debt afterwards, but at least we will be able to set our own priorities and to use our resources for the development of Quebec and for creating hope. Far from being useless, this debate will have given us another opportunity to reveal the true face of this government, whose only goal is to subjugate the people of Quebec once and for all.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, I listened carefully to what the member for Mercier and her colleagues said a little while ago. I always find it difficult to understand the Bloc's logic, and today is no exception.

The Bloc is always seeking a little bit more autonomy for Quebec regarding federal expenditures. The budget gives greater autonomy and flexibility in transfer payments, and the Bloc sees in this flexibility less autonomy and more centralization. It wants to hold a referendum to separate Quebec from Canada, but now that it believes that it might lose it because, increasingly, Quebecers are saying, through polls, other media and forums, that they are not interested in the proposed separation, it is starting to realize that the referendum it decided to hold is doomed; it wants to blame the federal government for the fact that it is going to lose the referendum.

• (1150)

The hon. member mentioned the need to get our financial houses in order, not only at the federal level whose expenditures are, for the main part, transferred directly to the provinces, including Quebec, through equalization, social transfers and other mechanisms offering more and more freedom to the provinces. We are looking for ways to co–operate with the provinces and with Quebec, but we are accused of always trying to centralize. It is impossible to co–operate with someone who does not want to.

My question to the member is in connection with the motion before us today: How does the social transfer give less freedom to Quebec to manage its own finances within this envelope? What are the new conditions set by the Canadian government in this envelope?

Mrs. Lalonde: Mr. Speaker, first, my hon. colleague says he does not understand. I think this is evident. It is also evident that Quebecers have seen over the years that this central government does not understand, that maybe it is not even listening, that the budget includes some centralizing measures. I spoke about the human resources investment fund which is an extremely important centralization measure.

I will answer the question very precisely and would ask the member to refer to clause 48 of Bill C–76, a fundamental part of that bill, which says two things; it is a two faced budget and it is a two faced clause. On the one hand it says it will increase flexibility for the provinces and, on the other, it maintains national conditions established in the Canada Health Act and, where appropriate, national standards for the operation of other social programs. Those other social programs are explained later on, in clause 53; they are health, post–secondary education, social assistance and social services. So my answer is very precise, it comes directly from the bill.

If some of us here do not understand, it is the members from the other side. I think they have not read the bill or, if they have, they feel they must do like the Minister of Finance who thinks he has to announce some amendments before he can talk, before he can answer. He used an approach which, I repeat, is entirely unparliamentary. I wonder if my hon. colleague saw those amendments because we read directly from the bill here in the House. If we were to listen to what we hear, to what the

government says are its intentions, we would find the government has many intentions, which are often contradictory.

We are members of Parliament and we work with bills. This bill entitles, even forces the Bloc Quebecois to take the positions it is taking this morning, on this opposition day. We would not be doing our job if we neglected to take such positions. The best proof of that is again that the Minister of Finance, before speaking to us, felt he had to announce some amendments we have not even seen. We are eager to see them.

• (1155)

Something else also confirms that we are right and that is, I repeat, that the minister felt he had to use an unparliamentary approach and announce amendments. So I can easily understand that he does not understand.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, I will share my time with the hon. member for Vaudreuil.

Since my arrival in this House, I have come to the conclusion that the surprises will never end. The opposition, which never misses an opportunity to label the government a "champion of the status quo", has risen today to denounce this initiative.

This same opposition which constantly advocates decentralization, is today objecting to the government transferring greater responsibility to the provinces in the area of social security. Although they continually preach that federalism is a system that is too rigid, they are now opposing a measure precisely intended to allow greater flexibility in the application of programs.

Because this is exactly what the new Canada health and social transfer (CHST) announced in last February's budget is intended to do: to give the provinces more latitude in the area of funding and management of health care, post–secondary education and social services.

On April 1, 1996, the new program will replace the Canada assistance plan and established program financing for health and post–secondary education. Under the new program, the provinces will receive block funding for social assistance and social services, health care and post–secondary education.

It is known that the current Canada assistance plan is an obstacle to innovation because of its overly restrictive cost–sharing requirements.

[*English*]

The Canada health and social transfer will give the provinces the flexibility they need to implement innovative approaches to social programs so they can be more effective in meeting the specific needs of their clients. For the provinces this is good news, because it establishes social assistance and income security measures, which for all sorts of technical reasons are not always eligible for funding under the Canada assistance plan.

It is good news, in particular, for Quebec, which is always in the forefront of innovation in the area of social security. For example, Quebec's APPORT program provides wage assistance to low income families with children and encourages parents on welfare to return to the labour market and helps low income parents keep their jobs.

[*Translation*]

Since its inception in 1988, this program has never been eligible for cost–sharing under CAP because it was not based on needs testing and therefore did not meet CAP requirements. It was the same thing with its ancestor, the work income supplement program, introduced in 1979.

In the 1970s, various social measures aimed at protecting disadvantaged children in schools could not be cofinanced under CAP either because they did not meet the definition of "social protection services", which excluded education–related sercices.

Probation services for young offenders were excluded from funding under CAP for a similar reason: the definition of "social protection services" also excluded correctional services.

Several other progressive measures implemented by the provinces were not eligible for funding under CAP because they were not based on needs testing or did not meet the definition of "social protection services". This was the case for a number of programs aimed at assisting persons with disabilities or impairments, such as self administered care programs, community–based services and para–transit services.

• (1200)

All these measures are presently ineligible for funding under the Canada assistance plan. CAP's excessive rigidity tends to discourage provincial initiatives and innovation. Yet these are social programs and services that are effective in meeting people's real needs. They provide assistance that is geared to specific needs and situations. And all of these measures will be eligible for full funding under the new Canada health and social transfer.

[*English*]

As a Quebecer I am appalled that my provincial government refuses to see any other issue than the separation of Quebec. Even today's discussion will be used to fuel its separatist arguments.

I have before me examples of projects and agreements reached between the federal government and the other provinces which have taken strong initiatives in addressing the specific problems they and their citizens are facing. Unfortunately the PQ government has one issue on its mind. As the Prime Minister said this past weekend, I am ashamed the PQ government cannot look beyond the Constitution and the real problems facing

Quebecers today, especially the poor in Quebec and in my riding of Saint—Denis.

The federal government is looking forward while the PQ government is looking constantly backwards with public money. It is doing it with my taxpayer money. It is using that money to fuel separatist sentiments. The PQ government shows no leadership at all. There is no creativity or innovation in terms of sitting down with the federal government to look at what types of programs will help the most disadvantaged and the poor in Quebec.

This is the type of country members of the PQ want to create, where there is one issue only: let us separate. They do not look beyond that but place the blame on the federal government. I am tired of the same violin story playing all the time. They continue to say the federal government is the culprit of all the ills that befall Quebec society. That is totally false.

Why were many actions taken by the government with other provincial governments through negotiation and collaboration? I will name a few. The Atlantic provinces have been hit the hardest in terms of unemployment and the current economic climate. Why were these provinces able to sit down to negotiate agreements with the federal government, thereby helping the more disadvantaged and the unemployed in their provinces? Why did my provincial government not do the same thing?

It organized commissions with taxpayers' money, prepared documents with taxpayers' money, talked and talked and continues to talk and all for one reason, to achieve the dream of separation; a dream the majority of Quebecers do not share. They do not share that dream yet the PQ government, with its friends on the other side of the House, continues to talk about one thing. As we all know, it continues to talk about it in different languages. Its only concern for the poor, the unemployed and the most disadvantaged is to accuse the federal government of a lack of vision and a lack of leadership.

[*Translation*]

With this new program, the provinces will have all the latitude they need to implement and fund pilot projects and new employability measures. They will no longer have to submit to rigid and restrictive requirements, as they currently have to. If they want, they will even be able to combine social assistance, health or education measures.

In fact, with respect to social assistance, the provinces will have to meet only one requirement under the Canada health and social transfer. They will not be able to deny social services to people who are entitled to social assistance because they have not fulfilled a residency requirement.

[*English*]

I repeat the only real national requirement under the Canada health and social transfer with regard to social assistance is that which concerns health and residence requirements. That requirement is not based on the idle whim of the federal government. It reflects the wishes and expectations of all Canadians. It reflects our desire to preserve the notion of freedom of movement within Canada between provinces.

• (1205)

[*Translation*]

It seems just as contradictory to say that the government wants to limit the provinces to a mere consultative role when, as I just explained, they will be able to apply the social programs they deem most appropriate in whatever manner they see fit, and will be the ones in charge in this area.

The Canada health and social transfer is an important initiative that responds both to today's social imperatives and to the fiscal pressures facing government. And it is also a striking demonstration of the flexibility of Canadian federalism, which allows us, simply by means of legislation, to make major adjustments within areas of jurisdiction.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am very disappointed with the remarks made by the member who just said that Quebec is the country's poorest province because of eight to ten months of Parti Quebecois government. This province has been a part of Canada for 128 years and, before the PQ took office, we had ten years of provincial Liberal government, which proves that federalism is neither desirable nor cost-effective for Quebec.

Furthermore, it is one of the basic reasons why we will separate from Canada. It is very important to us to become responsible for our own development and to stop relying on transfer payments. In this respect, the federal government is sending us a most interesting message, saying that it can no longer borrow funds at the expense of future generations as it has done for the last twenty years.

You are trying to hide this behind a transfer of responsibilities to the provinces. Try this in any other area, Madam—

The Acting Speaker (Mr. Kilger): Order. I remind hon. members that they must always address the Chair.

Mr. Crête: Mr. Speaker, I want to make a comment to the member. Try cutting anybody's budget by 15 per cent and telling them that they have all the flexibility in the world to do what they want with what is left. There is something wrong with this approach, which will inevitably lead to the balkanization of Canada.

The Council of Canadians, an organization certainly that cannot be called separatist, told the finance committee last

week, concerning this bill, that if the federal government wants to impose national standards without providing the necessary funding, it will simply come up against a wall of negativity from the provinces.

The federal government cannot ask the provinces to maintain Canadian standards if they do not have the money to do so. And they will not have the money to do so. As the saying goes, "once bitten, twice shy". How can the provinces, which were humiliated once by the oh so wise federal government when it decided to hold a forum on health without making sure of the provinces' participation, how can they agree to take part in a process that is biased from the start?

Mrs. Bakopanos: Mr. Speaker, I believe that I have already said that, at any rate, the Government of Quebec does not want to participate in the initiatives already taken by the federal government. Every province in Canada wants to participate, except Quebec.

I think that the official opposition should be very careful when talking about links with the federal government, because we have already proposed administrative agreements. Several of them, which could, in fact, have helped Quebecers, were not signed by the Parti Quebecois government. Now, the hon. member dares to raise such an issue.

I think we have to look at what is behind what is happening in Quebec, and I think that I put my finger on it earlier, and that is that the current government, the Parti Quebecois, has only one goal, and that is to bring about Quebec's separation from Canada. They have devoted all of their energies, human resources and money to this cause, and have taken no other initiative in the past six months.

• (1210)

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, when Rome burned, Nero fiddled. He was out of touch with the day's reality. Similarly, I find this motion out of touch with reality.

The members of the opposition try at all cost, take every opportunity, to discredit the federal government, particularly with regard to interprovincial and government jurisdictions.

The only thing Canadians and Quebecers want from their government, be it provincial or federal, is action. Let us stop this stupid business about jurisdiction of power.

[*English*]

Canada is undergoing nothing short of a revolution. Our economy is being transformed from a traditional resource based and labour intensive one to one that is globalized, information based and knowledge intensive. The effects are being felt by business and industry. They are certainly being felt often painfully by workers, be they loggers, farmers, fishermen, miners or even assembly line workers. They are being felt by our teachers and students and they are being felt by governments at all levels.

Nowadays we warn young people preparing to enter the workforce that they will probably change careers several times during their working lives; I am talking about not just jobs but careers.

We have engaged once again in a sterile debate on jurisdiction while our constituents, including those of the Bloc Quebecois, are looking to their governments to create the environment to guarantee continuing jobs and ensure the training to match the skills needed for tomorrow's jobs.

The Government of Canada is determined to remain steadfast to that goal. The government was swept to power with a resounding victory and a vote of confidence by Canadians and Quebecers who were clearly ready for change. They believed in our commitment to create jobs and to prepare people for those new jobs.

[*Translation*]

While the members of the Bloc Quebecois contemplate their navel and get lost in jurisdictional discussions, the government, fortunately, is not letting Canadians down.

[*English*]

Since the government came into office no less than 454,000 full time jobs have been created; strong evidence of enough employer confidence in the economy to offer stable full time employment rather than part time jobs. This job creation performance has surpassed even the most optimistic predictions including those of the OECD.

The OECD predicted Canadian employment growth of 1.2 per cent last year. It was almost double the rate, growing at 2.1 per cent.

I remember a former prime minister said we would have to wait until the year 2002 to see unemployment fall below 10 per cent. Fortunately she did not get elected and today we are enjoying an employment rate of 9.7 per cent. We hope to do better. We must do better.

The OECD estimates Canada's employment growth for 1995–96 will be the highest among all G–7 countries, even surpassing the United States. Given our track record so far there is every reason to suspect these predictions will once again prove to be modest.

[*Translation*]

The members of the Bloc Quebecois should also recognize that Quebec has benefitted by Canada's efforts.

[*English*]

In the employment figures for the last two months of this year Quebec has experienced strong employment growth with a gain

of 14,000 jobs in February alone. The employment rate in Quebec declined from 11.5 per cent, the lowest since 1991.

Job creation initiatives by the government directly and in co–operation with the province have contributed a significant share. Since October 1993 some 120,000 jobs have been created and almost 36,000 Canadians were provided with training through initiatives of their government such as the infrastructure program, youth internship and strategic initiatives, to name a few.

• (1215)

Statistics are very cold. They do not tell us the human stories behind the job creation figures. They do not describe how so many Canadians have regained their self–respect knowing they are no longer dependants but contributors to this fine country.

Statistics do not show the efforts of determined people and co–operative government action and how they can be made to work for the good of all Canadians.

Statistics do not tell us, for example, about Le relais des jeunes adultes du Sud–Ouest de Montréal. It is a job search training organization funded by the federal government in partnership with two Quebec departments. Human Resources Development Canada provided nearly $800,000 last year. Sixty–five per cent of the participants in this program have found work.

Statistics also do not tell us how 250 people are participating in entrepreneurship development jointly funded by Quebec and Canada, where 21 entrepreneurs have set up their own businesses.

Statistics also do not tell us of the federal–Quebec effort that arose from the closing of the Hyundai plant in Bromont. Some $8 million federal funds helped 556 participants, 80 per cent of whom have found work or gone on to further vocational training.

I could go on citing such projects. None of them are earth shaking in themselves, however they constitute the real story behind Canada's good fortune in terms of job creation.

The other straight fact to which members opposite have turned a blind eye to time and time again is that co–operative action among governments, including the federal government and Quebec, does succeed in helping Canadians help themselves.

Canada's economic prospects have not looked this good in a very long time. Productivity has surged. Canada's cost competitiveness is at the highest level in more than 40 years. Our trade surplus is up. All of this is not by accident.

From the speech from the throne which formed the government's agenda, through to the most recent speech by the Minister of Finance, the Government of Canada has introduced cohesive and concerted strategies aimed at advancing the agenda for jobs and growth.

Last October the Minister of Finance tabled "A New Framework for Economic Policy" which proposed a broad framework for policies for economic growth. Then "Creating a Healthy Fiscal Climate" takes steady aim at the deficit. Equally, the Minister of Industry released "Building a More Innovative Economy", a series of measures and strategies to create a climate of economic growth and job opportunities throughout the country.

In February the budget delivered on the government's pledge to get the country's fiscal house in order, restoring investor confidence and clearing the way for further employment growth.

Taken together, these efforts are radically reshaping government involvement in the economy. They are already producing results. The policy initiatives, coupled with strategic partnerships with the provinces, territories, business, labour, educators, community workers and committed individuals are creating jobs for Canadians.

There is a message for all of us in this. Healthy economies in today's highly competitive and internationalized world are not made without consistent, concerted efforts on the part of all citizens, all businesses, all institutions and all levels of governments.

If Canadians are not up to the competition, job creation will simply not continue. We are a small market in global terms. It takes the strength of united effort to ensure competitiveness. The workers of many nations are quite ready and, in today's global economy, quite able to jump into the breech should Canadians flag in their efforts.

[*Translation*]

It is the job of governments to do everything in their power to ensure the best possible tools are in place in order to develop an effective program to create quality jobs and to equip our workers to find and, more importantly, keep jobs.

[*English*]

It does not serve our constituents well in any part of Quebec or Canada to fiddle while Rome burns with petty jurisdictional concerns. The Government of Canada is prepared to challenge conventional wisdom, to adopt new policies and fresh approaches.

We have made it clear that the government is willing to work closely and co–operate with the provinces and the territories.

• (1220)

A number of new measures from strategic initiatives of the human resources investment fund have already been outlined to address problems with labour market development. We recognize the need for flexibility. Labour market demands vary from province to province. Each region of the country has its own vision and its own agenda. We understand that and local people best respond to local needs.

I suggest to members opposite that their constituents do not care what logo is on the letterhead as long as efficient, quality service is provided and prospective employment income can improve.

The federal government must clearly work with the provinces to maintain national standards, ensuring that the skills people develop are recognized and portable throughout the country and keep us competitive with the world.

The federal government is ready to go to work. It is confident that we can perform this role in a complementary fashion that will support and reinforce the labour force development efforts of all provinces and territorial governments.

In conclusion, I take as proof of our ability to succeed Canada's recent record of growth and job creation, the envy of every G–7 member. It demonstrates the soundness of the course charted for Canada by the government. With less bickering it would undoubtedly have been much better.

Now is the time for co–operation. Canadians demand it. Our task is to explore how we can work together to reform, restructure and rebuild our communities and our country to ensure that each and every Quebecer, each and every Canadian has the opportunity to share in our future prosperity.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, I must say I was very surprised to hear the hon. member for Vaudreuil accuse the official opposition of playing the fiddle while Rome burns. The question is, who started the fire in the first place? The hon. member for Vaudreuil should have listened to the Leader of the Opposition when he said that what is happening in Canada today reminds us of the arsonist who blamed the firefighters for doing a bad job, because these fires have been burning for a long time in Canada.

When we realize that for the past 12 years, the Canadian government has cut transfer payments to Quebec by a total of $14.4 billion, which means more than one billion annually, is it any wonder this would have an impact on the public finances of the Government of Quebec? This year, the federal government maintained this trend by cutting another billion. Next year—not this year, because of the referendum campaign but next year—it will be $2.4 billion, reflecting the government's increasingly devious plans to make cuts at the expense of low wage earners.

I want to commend the hon. member for Mercier on her excellent and very instructive speech in which she explained that the unemployment insurance fund does not belong to the federal government. It consists of the premiums paid by workers and employers, but the federal government is appropriating this money, so that after bringing the provinces, including Quebec, to their knees, it can then say: If you do not have enough money for your social programs, we do, thanks to the way we managed these funds which do not belong to us—the unemployment insurance premiums paid by workers and their employers.

I would like to ask the hon. member for Vaudreuil what he thinks about all this, what he thinks about the announcement in the budget speech which was mentioned by the Leader of the Opposition and what he thinks about this committee that is looking into the administration of old age pensions, to increase them, of course.

Mr. Discepola: Yes, Mr. Speaker, Rome is burning. They used to talk about the "beau risque". Now it is a "beau virage", and today, we have this separatist mirage Quebecers are being asked to embrace, but no one is really interested.

• (1225)

That is why I said that Rome is burning, or rather that Nero is fiddling instead of dealing with the real problems in our society.

The hon. member said that the federal government just happened to leave out equalization, because equalization always benefits Quebec. But if we include equalization, the tax burden on the province of Quebec represents only 1.4 per cent of their total revenue. That is their tax burden: $350 million. But when we talk about money, it is always the same money and the same taxpayer.

The municipal government takes it out of your left–hand pocket, the federal government takes it out of both pockets and the provincial government takes it out of your right–hand pocket, but the pockets all belong to the same taxpayer. Yes, some responsibilities have been passed on to the provinces, but they were also allowed some flexibility. Flexibility in how they manage their programs and structure them according to their needs.

This is not a burden on the provinces. In fact, six provinces have already brought down balanced budgets. It is now up to the Province of Quebec to do likewise before the referendum.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, really, the things you hear in this House. As the critic of the official opposition for regional development it is with pleasure and interest that I rise during this official opposition day. The federal government's attitude, denounced by the Bloc Quebecois, which consists in restricting the provinces to a strictly advisory role by imposing new national standards following the budget of the Minister of Finance in February, has a direct negative effect on regional development in Quebec.

Bill C–76. an act to implement certain provisions of the federal budget for 1995–96, far from eliminating the intrusions of the federal government in areas under provincial jurisdiction,

allows it, by imposing national standards, to multiply its interventions while increasing the impact of its intrusions.

We know that following this budget Ottawa had decided to merge in a new "Canada social transfer" its whole package of contributions to the provinces in such areas as health care, social services and post–secondary education. This decision of the federal government represents in the short term some savings and Liberals call that a fight against the deficit.

The fact is that as a result funds allocated to the provinces are cut by $2.5 billion in 1995–96 and by $4.5 billion in 1997–98. In 1997–98 the Canada social transfer envelope is going to be allocated among the provinces according to a criterion yet to be negotiated. If the chosen criterion is the present mode of distribution, which is not very likely, Quebec will suffer a $1.2 billion shortfall.

Rather, the objective of the federal government and its Minister of Finance is to allocate the Canada social transfer envelope on a per capita basis, so that Quebec will in fact bear 41.7 per cent of the cuts in transfer payments to the provinces across Canada in 1997–98. With this distribution criterion, the loss of income for Quebec jumps from $1.2 billion to $1.9 billion.

With the new Canada social transfer and the implementation of new national standards, the federal government, while relegating the provinces to a purely advisory role and further centralizing action, will once again impoverish Quebec and threaten regional development.

In the last budget and in Bill C–76, we see that the Minister of Human Resources Development intends to use the savings from unemployment insurance reform—that is $5 billion in cutbacks in 1994 plus $700 million more in 1995—to create an human resource investment fund.

• (1230)

This fund will be used, among other things, to finance manpower training programs, a power unanimously demanded by Quebecers. Clearly, this has a direct impact on regional development. With initiatives such as the Canada social transfer and the cuts in unemployment insurance, the federal government will use all the money it is going to save elsewhere for massive, centralizing and discretionary interventions, totally disregarding totally the policies of Quebec in the area of regional development.

In fact, the goal of the measures contained in the February budget is to direct the economic development of Quebec, to refuse to recognize the distinct character of that society by assimilating the evolution of Quebec into the Canadian policies on regional development.

In Quebec, companies, trade unions, local authorities and the co–operative movement no longer fear to take their development into their own hands. In forums such as the Bélanger–Campeau Commission, they reached a very wide consensus and demanded that the government of Quebec be the only one to control the economic development of these regions.

With the budget measures I already mentioned, there is no doubt about the intentions of the federal government. It wants to stimulate Canada's gross domestic product by promoting an area, an industrial region. So, the economic climate really takes precedence over the structural dimension in most of the interventions of the federal government in the regions.

We know that today, the federal government is interested only in small and medium size exporting and technology firms, in total disregard of the overall strategic regional structural development plans which concern all areas of activity in a society. This attitude, and the interference of the federal government in regional development, will be harmful, in the long run, to the development of Quebec.

We have to remember that regional development is not covered under the Canadian Constitution, and that forces Quebec to enter into endless negotiations to conclude agreements or "agréments", as the member for Brome–Missisquoi says.

Those agreements inevitably open the way to numerous awkward intrusions by the federal government in regional development. Bill C–76 proves that. These are obvious, clear and open intrusions. The Quebec regions suffer from the numerous interferences in regional development and from the lack of consistency of government policies.

While dropping its financial involvement in the provinces, the central government is leaving its administrative structures there. Consequently, duplication and overlap not only remain, but are sanctioned. Even if those administrative structures are becoming more and more symbolic, they are even more costly and hinder the dynamics of regional development in Quebec.

The Federal Office of Regional Development is a good example of squandering by the federal government. When will there be a comprehensive structural reform of the federal regime? In spite of the decentralization measures that the government announced at the beginning of the year, the Liberals have not made any changes. More and more, they are using national standards as a means to centralize. Centralization is the golden rule of federal Liberals.

The objective of the Bloc Quebecois, the official opposition, is to make the federal government realize that it has to withdraw completely from regional development in Quebec and recognize Quebec as the sole master of regional development. For over forty years, there has been, in the nation of Quebec, a much more

efficient and responsive attitude, in terms of regional development, to the needs of peripheral regions. I repeat that at present, there is a series of general agreements between the government of Quebec and its 16 administrative regions.

• (1235)

Each region has conducted its own strategic study on small business and industrial development. These genreal agreements confirm the importance for Quebec to be close to these regions and to decentralize within the province, contrary to the what the Federal Office of Regional Development—Quebec is doing, in the light of federal imperatives based on a mythical and centralizing vision of what industrial development should be in Canada.

The new role of the Federal Office of Regional Development is merely a duplication and overlapping of jurisdictions. Merged with the Department of Industry, it has become a business service centre, whereas there is already in Quebec a totally adequate information service and strategic assistance analysis entity available to small business, including exporting firms. The existence of a parallel network of 13 regional offices within the Federal Office of Development—Quebec is inappropriate, a duplication of services and, ultimately, a waste of public funds.

Because of cuts to provincial transfers as the result of the Liberals' February budget and Bill C–76 implementing it, financial transfers to Quebec will decrease by 32 per cent between 1994–95 and 1997–98. That is viable federalism, I would even say that is Ottawa's new administrative flexibility towards Quebec: cut, cut, cut.

It is important to understand that financial transfers are not a gift from the federal government, but are funded with our taxes. A sovereign Quebec would recover about $30 billion in taxes that Quebecers are paying to the federal government. It would recover this amount and administer it itself, according to its own priorities and its own strategic development plans. But because of cuts made by the federal government to provincial transfer payments between 1982 and 1993, taxes paid by Quebecers to the federal government increased by 143 per cent, while financial transfers from the federal government to Quebec only increased by 50 per cent. In terms of regional development, this situation has had the following effect since 1983: annual federal funds for regional development increased by only 50 per cent in Quebec, while they increased by 250 per cent in the Maritimes and by 300 per cent in Western Canada.

In conclusion, as far as Quebec is concerned, this means that the Quebec State and its regions should manage their own policy. And when Quebecers have decided their political autonomy by basing their development on education, professional training, dialogue between unions, businesses, universities and communities coming from the 16 administrative regions, then Quebec will have total control over the tools for its own development. There will then be an open and happy country.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I am surprised that my colleagues of the opposition would want to debate on a motion which says that the federal government will impose standards on provinces. I read the document tabled in this House by Mr. Martin on February 27, 1995 and nowhere can I find the word "impose". It only says that the federal government wants to start discussions with the provinces in order to establish standards and goals, so that there will be minimum standards all across Canada.

I do not understand why my colleague is so allergic to the words "goal" and "standard". There is nothing different there.

• (1240)

I would simply like to mention to the hon. member that in the *Hansard* of May 4, 1989, on page 1291, Mr. Bouchard who was then a conservative minister, said and I quote:

> That being said, the best way to guarantee that social programs will be preserved is to maintain a strong government that is able to intervene and to stand by its commitments to our neediest fellow Canadians.

So stated Lucien Bouchard on May 4, 1989, page 1291.

I agree with what Mr. Bouchard said in 1989 and as a matter of fact I—

The Acting Speaker (Mr. Kilger): Order. I simply wish to remind the House that as parliamentarians we should always refer to one another as the member for such and such riding, the minister of such and such portfolio, the Leader of the Opposition, but not by our names.

Mr. Harb: I am sorry, Mr. Speaker.

I would like to ask my colleague of the opposition if he agrees completely with what the Leader of the Opposition said in 1989.

I would like my colleague to tell me if he agrees with what his leader said in 1989.

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, first of all, I thank the member for his question. I just want to remind him that the most vicious aspect of this venture is the use of the words "national standards", and we know why.

When the federal government had the power to spend money borrowed from future generations, there were no national standards. The federal government was spending money and interfering in provincial jurisdictions as much as it pleased.

Now that the federal government must slash its budget, it prefers to talk about flexibility rather than spending power. However, your government's flexibility is strictly a matter of passing the bill to provinces and telling them: "You will make your own decisions while applying our national standards". That is underhanded.

Now, regarding the quote you gave us, one of your colleagues—

The Acting Speaker (Mr. Kilger): Order, please. Again, I perfectly understand that today's topic is very important and members who rise have very strong ideas to communicate. However, I would like all the remarks to be addressed to the Chair.

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, as my colleague says, it is a warm exchange of views.

Concerning the National Forum on Health, I wish to quote comments made by the member for Saint-Henri—Westmount when she was a provincial minister: "The federal government's behaviour is absurd". That is what the Quebec Minister of Health, Lucienne Robillard, said in an interview on the phone.

"How can we even think of reforming the health care system without the participation of the provinces who are responsible for delivering the services? It is simply unacceptable". That was reported in the September 27, 1994 issue of *La Presse*.

This is what your colleague said, the one that is now among us, your courageous colleague who was not elected but appointed as a member of Parliament. A member had been democratically elected, but he was given a plum position in the Prime Minister's office in exchange for his riding, where this courageous minister had to struggle fiercely to be elected.

I want to quote this same minister in response to your statement. Here is what she said as minister. "I say things as I see them",—this is what your colleague for Saint-Henri—Westmount said—"in Quebec the provincial government is still the level the most directly, exclusively and inextricably linked to the future of our society. A distinct society which, whatever we might think or say, is able to conduct its own destiny and prepare its future". That is what we want to do in Quebec—prepare our future by becoming a people, by becoming a country".

• (1245)

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I could hardly wait to rise in the House on this allotted day to take part in the debate on an issue which is crucial not only in Quebec but especially in Quebec.

Let me read you the motion, because I think it is important to put this debate in its proper perspective, especially since our Liberal colleagues seem to get lost in all kinds of considerations. The motion put forward reads as follows:

> That this House denounce the will of the federal government to restrict the provinces to the role of mere consultant by imposing on them new national standards for all social programs through the introduction of the Canada Social Transfer, which will enable the federal government to interfere even more in such areas as health, post-secondary education and social assistance, all of which come under exclusive provincial jurisdiction.

That is under our current Constitution, of course. This is the motion now before the House.

First of all, I would like to say how stunned I was to see that the Minister of Finance was the main spokesperson for the government, the individual chosen by the members of the government to speak on their behalf at the beginning of this debate, even though the motion concerns the Minister of Human Resources Development more directly.

Where is the Minister of Human Resources Development? Why is he not taking part in this crucial debate where we would be very pleased to hear what he has to say about the federal policies and their impact on areas of exclusive provincial jurisdiction? In my humble opinion, I think the Minister of Human Resources Development should be called the Minister of Human Resources Discouragement and Impoverishment, because that is exactly what he is.

We are now faced with a government whose main objective is to pick on the destitute. They were elected under false pretences, because during the election campaign, they said they would defend our social programs, the permanence of our social programs and the rights of the poorest members of our society. Right after the election, in his first budget, the Minister of Finance, or rather the minister of provincial impoverishment, made cuts in transfers to the provinces and in unemployment insurance, and as if this was not enough, he struck again in his second budget with even greater force.

Last weekend, I was shocked, as were, I am sure, the majority of Quebecers, to hear the Prime Minister criticize the Quebec P.Q. government and all the sovereignists for focusing the debate on the Constitution instead of tackling the real problems facing all Canadians and particularly Quebecers, problems such as the high levels of unemployment that we are experiencing these days.

I was shocked because the Prime Minister and several of his colleagues are constantly saying in this House and elsewhere that if the Constitution is being discussed in Quebec right now, it is because of the sovereignists. Nothing could be further from the truth. It is sheer hypocrisy. The Liberals who are saying this are nothing but hypocrites. They say things that they know are

not true. They know full well that, over the last thirty years, it is the federalists who have fuelled the constitutional debate.

• (1250)

I will simply cite some figures to demonstrate how much the federalists, and not the sovereignists, have negotiated, gossiped and wasted time over the past few years on the issue of the constitution. Please allow me to cite some very telling figures.

Between 1960 and 1992, they held 56 conferences, sessions and meetings. It was getting so ridiculous that they had to keep presenting them under a different light to try to ensure that the population did not realize what was really going on. And I am only talking about meetings at the political and not the departmental level. I am talking about all of the energy spent by the ministers of the federal government in each of the provinces to prepare for these meetings and to follow up on them.

There have been a total of 19 commissions, committees, working and advisory groups, for example, the Laurendau–Dunton Commission at the end of the 1960s, the Pépin–Robarts Commission in the 1970s, and the plethora of consultation panels leading up to the demise of the Meech Lake Accord and the breakdown of the Charlottetown negotiations. Nineteen commissions since 1965, all of them at the political level.

Now, on to the cases which have come before the Supreme Court of Canada regarding the constitution. A total of 212 cases, notices and rulings by the court affecting the federal government and a provincial government. That is the result of the constitutional debate led by and for federalists. And this leads me to conclude that the federalists, particularly the Liberal Party, of which the Prime Minister has been a member for at least 30 years, and this Liberal government have been and still are responsible for keeping the constitution industry alive and well. They have sunk billions of dollars into it, which has contributed to the enormous debt we now face.

That is our real constitutional problem. We sovereignists do not want to talk about the Canadian Constitution. We are proposing a solution to our current problems. What we want is our own Quebec constitution, which is what we were told in February by 50,000 men and women across Quebec. They came to tell us about the values on which Quebec society should base its constitution.

There is a very broad consensus on the subject among the people of Quebec. We as sovereignists have a way to solve the constitutional problem. We do not want to talk about the Constitution, about constitutional renewal or fence mending. We want to propose a definitive solution.

Mr. Speaker, in concluding I would like to give an example of the impact of the Canada Social Transfer, of what happens when the government interferes in areas under provincial jurisdiction. Consider post–secondary education, an area over which the provinces have sole jurisdiction. According to the federal government's policy, the policy of the Minister of Human Resources Development, transfer payments to the provinces for post–secondary education will be cut while, of course, certain standards will be set, which was unheard of in the past.

• (1255)

This would include reducing the amounts of bursaries, obliging universities to raise their tuition fees and letting students borrow more. It seems to me that what the federal government, after putting us into debt over our ears, to the tune of more than $500 billion, what the Liberals and the Minister of Human Resources depletion are suggesting now is to let students get into debt individually as well.

Now that we are in the hole as a country, they are telling students to do likewise. That is the federal government's policy and that is what this motion wants to condemn today.

[*English*]

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, on behalf of the people of Guelph—Wellington I am pleased to speak to the motion of the hon. Leader of the Opposition.

My constituents have expressed to me their concerns and their hopes for the future of social services in Canada. They have participated in a number of ways in my constituency. They have come to a town hall meeting sponsored by me and attended by the Parliamentary Secretary to the Minister of Human Resources Development. They have written letters and made many telephone calls to me. They have completed the booklet that was developed by the minister of human resources.

They have given me one clear message: they want social services that protect those most vulnerable and will ensure that Canada and every province in Canada remain prosperous for many years to come.

The Leader of the Opposition is wrong when he attempts to suggest that the Canada health and social transfer restricts the provinces to the role of consultants. What we are attempting to do is create a genuine partnership with the provinces and territories and continue to build a strong and evolving relationship in our Confederation.

The people of Guelph—Wellington welcome any effort to better administer social services and to give the provinces more flexibility to allocate the resources where they believe they are most needed. They have also asked me to ensure that national standards remain and that the federal government not only continue to provide funding to provinces but also ensure that medicare and social assistance standards and principles remain intact.

They admire the Canada Health Act commitment to public administration, comprehensiveness, universality, probability, and accessibility. They know that these principles are part of the reason the World Health Organization today declared Canada one of the world's five healthiest countries in which to live.

If this government were to abandon the principles of this act we would betray the trust that has been placed in us by all Canadians. My constituents have elected me to be a part of a government that is realistic and compassionate, one that recognizes the changing times, the new realities, and demands new solutions.

The people of Guelph—Wellington are hard working and dedicated to their families and their communities. They believe that these principles must remain the foundation of the Canada Health Act and health care in our country.

The Leader of the Opposition and all members of his party can rest assured that Canada's health care system, a system that helps define this great nation to itself and to the world, will be fully protected by our government.

Our country has had a long tradition of compromise and dialogue. From the very beginning our Confederation has evolved, and the people of my riding have supported this evolution. They know that if Canada is to remain the best country in the world the government must respond to new challenges and work together to secure our future.

• (1300)

The Minister of Human Resources Development will strengthen our social programs by inviting his provincial colleagues to work together through consultation and mutual consent to develop and improve programs which will benefit all Canadians.

My constituents have told me very clearly and often they want all levels of government to work together. They want our confederation to continue to protect them and their families from unforeseen and unfortunate circumstances. They know one of the reasons we are the best country in the world is that our social security network and our health system offer safeguards and protection from loss of employment or illness.

The Leader of the Opposition encourages unfounded rumours that the federal government has singled out the province of Quebec and is imposing special standards on the provinces under the Canada health and social transfer. This simply is not true. The Quebec government has been a leader in developing innovative social programs. For example, it has developed a program which encourages low income families with children on social assistance to increase their employment earnings and it inspires low income earners not to fall back on social assistance. These kinds of programs are exactly what my constituents have asked for; programs which encourage independence and build up the human spirit rather than programs which encourage the cycle of reliance.

In the past programs like these have not been shared under the Canada assistance plan. Cost sharing requirements under CAP are too restrictive. As well, the previous Quebec government came up with proposals for delivering social services for school children but these too were rejected because they did not meet the definition under the Canada assistance plan of welfare services.

It is because of these new and innovative programs sponsored and encouraged by governments like Quebec that the Canada health and social transfer is needed. The new transfer affords flexibility and allows the provinces to continue their important work in encouraging social service recipients and others to better care for themselves and for their families. Under the Canada health and social transfer Quebec and other provinces will have much greater flexibility; flexibility with responsibility to experiment with imagined ways of delivering social assistance and social services. What more could we ask for?

From these examples I hope the Leader of the Opposition and his party would be giving full support to the Canada health and social transfer legislation.

All of us were elected under unique situations and circumstances. Each of us in the House is here because our constituents were tired of politics as usual. They were tired of one level of government blaming the other and they no longer wanted to hear excuses as to why their best interests were not represented. They have asked us, no matter what party affiliation, to make the country better and to make its systems of social security and health better.

We have a choice. We can move ahead or we can linger in the old way of blame and suspicion. My constituents want better from me, better from the government and better from the opposition. They want us to work together to ensure Canada remains the best country in the world in which to live. They want positive new ideas. They want innovative approaches. Most of all, they want Canada to remain united for their benefit and the benefit of Canadians from coast to coast.

On October 25, 1993 the people of Canada gave us their hopes and their dreams for a better country. They want the provinces to manage what they do best and they want national standards which safeguard every single Canadian. They know the government is not conspiring to weaken the social fabric of Canada, but instead is attempting to strengthen it.

I invite the Leader of the Opposition to work with us, for his constituents and for mine, to build up the weak, to give aid to the sick, to protect the most in need and to encourage independence

to those who rely on government. The people of his riding and mine demand no less.

• (1305)

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I am grateful for the opportunity today to talk about medicare and the Canada Health Act. I want to explain how and why the government supports medicare and why we on this side of the House will continue to support it.

The federal budget tabled in February was one of the most widely supported budgets in the history of Canada. Some people, in particular the Reform Party, say the budget raises questions about our commitment to health. They ask whether we will continue to have the capacity to maintain a national system and they ask whether we will uphold the principles of the Canada Health Act.

There are no grounds for dire predictions that the federal government will not be able to uphold the Canada Health Act or that Canada's health care system will disintegrate as a result of the budget. Take the new Canada social and health transfer. It will not diminish, weaken or erode the strength of our health system.

On many occasions the Prime Minister and the Minister of Health have been quite clear on the matter. Let me remind the House how clear the budget speech was on this matter. The Minister of Finance said no change will be made to the Canada Health Act.

The Minister of Health was equally clear when she spoke to the Canadian Hospital Association last March: "There is no change in the government's commitment or in my own commitment, to uphold and enforce the principles of the Canada Health Act". As the Prime Minister said in Saskatoon, for Canadians these principles are non–negotiable.

The word health was added to the title of the new transfer when the enabling budget legislation was introduced to the House. This was no accident. It confirms the government's intention to remain active in enforcing the principles of the Canada Health Act.

The new transfer agreement will be in a block funding arrangement. That move may worry some members but let us not forget block funding for health care and post–secondary education is now 18 years old. The established programs financing funding mechanism put in place in 1977 is a block funding arrangement. There is no requirement in it for provinces to spend money on health. However, what is there and what was nailed down in 1984 when the Liberal government passed the Canada Health Act is the requirement that provinces deliver health care services in compliance with the five conditions of the act or face a deduction from money transferred to them.

Some worry that under the current thinking about the Canada social and health transfer no clear dollar amount will be denoted as a health portion. Again it is worthy of emphasis that under the EPF funding there was no longer a relationship between what was called the health portion and the actual provincial expenditures. It was merely a historical artefact based on the national averages of some 20 years ago.

Nothing in the budget will change the government's technical ability to enforce the Canada Health Act's principles. The enforcement mechanism remains the same. The deductions from transfer payments are necessary; they will be made. Canadians can rest assured the Canadian social and health transfer will not reduce the federal ability to enforce these principles. We will enforce them because the principles of universality, accessibility, comprehensiveness, portability and public administration are ultimately rooted in our common values; Canadian values such as equity, fairness, compassion and respect for the fundamental dignity of all. We will also enforce the principles of the Canada Health Act because we support an economically efficient health care system.

• (1310)

It is worth reminding opposition members that the principles of the Canada Health Act are not just words. They have meaning. I want to touch briefly on each of the principles.

The first principle of universality is that all residents in a province must be insured by the provincial health plan if it is to receive federal support. This means we must all have access to services. People cannot be deinsured because they might be too costly for the system to cover. We cannot be turned away from a hospital door because we have not paid our annual tax bill or some provincial premium. If we need health care we will be treated in the same manner as everyone else.

Accessibility on uniform terms and conditions is the second principle. It means we should not face any financial barriers in receiving health care or extra billing, user charges, facility fees or up front cash payments. If the service is medically necessary we will get it at a time defined by medical considerations, not by the size of our wallet.

The next is comprehensiveness. This principle recognizes Canadians have a range of health care needs and that those needs should be met. If we scratch the surface a little more we will see that comprehensiveness again means the practice of fairness. It would not be fair to ensure only some medically necessary services and not others. I do not believe we should choose at the federal level which services are medically necessary. In my view we should continue to interpret the Canada Health Act as requiring coverage of all medically necessary services.

The government will continue to take a position that if a province insures any part of the cost of a service it is an indication it believes it to be medically necessary and all of the costs should be covered.

Justice Emmet Hall in his original royal commission on medicare recommended a very comprehensive package. Liberal governments in the 1960s, 1970s and 1980s accepted the concept of comprehensiveness, although not quite as broad a concept as Justice Hall's. Liberal governments in the 1990s will not turn their backs on these principles.

The fourth principle is portability. It means Canadians maintain their health care package when they travel or move. The portability principle is rooted in one fundamental element; underpinning our federation, it recognizes our mobility. Canadians are free to work and travel anywhere in the country without fear of losing their health care insurance coverage. Portability is what makes our national health insurance system truly national. Each separate health insurance plan may be provincial in origin but it is recognized nationally in every province.

The fifth principle is public administration.

• (1315)

Our health insurance plans must be operated by provincial governments on a non–profit basis. In my view these principles never seem to get the same attention as others. But they should. It is the core of our ability to contain costs in the system and thus to deliver quality care at an affordable price. One would think that of all five principles our Reform friends across the way would certainly be able to relate to this one.

Public administration is a means by which to ensure the principles. Health care insurance is operated and funded through governments. We can guarantee that our health care is universal, accessible, comprehensive, portable, and that we have direct control over it. It is through public administration that we demonstrate our collective responsibility to the health care of Canadians.

I look forward to further comments this afternoon.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I would first like to congratulate my colleague on his remarks in which he stressed the principles advocated by the federal government, enabling it to impose national standards on provincial governments, particularly the Government of Quebec, in areas of jurisdiction that are strictly and exclusively provincial.

The hon. member, my colleague, can therefore convey to us the importance of these principles for the federal government, how dear they are to the Liberal Party. However, if we look at the facts, including Bill C–76, we discover the real principles behind the government's wanting to get involved in provincial jurisdiction, even though it no longer has the means to do so. After getting us in debt, as I said a few minutes ago in my remarks, the federal government, which will have roughly a 28 per cent share in the cost of the social programs of the Government of Quebec, after 1998, still wants to impose, it insists on imposing, national standards. But what are these principles so dear to the heart of the federal government?

Clause 37 of Bill C–76 speaks eloquently in this regard. I will take the liberty of quoting it:

> In order that a province may qualify for a full cash contribution referred to in section 5—

that is, the transfers in health care,

> —the government of the province—
>
> (*b*) shall give recognition to the Canada Health and Social Transfer in any public documents, or in any advertising or promotional material, relating to insured health services and extended health care services in the province.

In concrete terms, it is the old "flag on the hood" principle, so dear to our Prime Minister. We remember the Prime Minister when he was the minister responsible for the adoption of the constitution in 1982, he was the one who made us swallow the current constitution, which excluded Quebec. He said: "All that interests the separatists is a flag on the hood. They like driving around in France, in Paris, with the Quebec flag, thus mocking their own people, the representatives of the Government of Quebec". Now here we are in 1995 with the "flag on the hood" principle in the Canada Social Transfer.

I would like to hear what my colleague has to say about this principle, which we see in black and white in Bill C–76, where it says that the Canadian flag must appear on documents, cheques and so forth, when the federal government is involved, even though it is less and less involved.

• (1320)

The Acting Speaker (Mr. Kilger): Unfortunately, the hon. member has very little time to respond to the remarks of the member for Mégantic—Compton—Stanstead.

[*English*]

Within no more than a minute I would ask the member to respond to the comment and question of the member.

Mr. Culbert: Mr. Speaker, I will try to respond as quickly as I possibly can to my hon. colleague across the way.

The number one point I would like to make is that it is called responsibility. A responsible government sets a commitment, a goal and a challenge. It is prepared to meet the challenges that were set in a very balanced and responsible fashion for all parts of Canada, including the great province of Quebec which I greatly respect.

As I mentioned in my speech, it should be done with the Canadian values of equity, fairness, compassion and dignity for all Canadians in mind. That is the way to do it in a balanced fashion.

If members of the Bloc concentrated their efforts on some of the areas indicated in the Prime Minister's speech on the weekend, they would be far better off than they are with their discussion of separation and dividing the country.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I am glad to have the opportunity to speak to the Bloc's motion concerning the Canada health and social transfer.

While its wording is a little extravagant and its claim somewhat exaggerated, the motion's analysis of the CHST that it does not go far enough toward the decentralization of health, advanced education and social assistance is one that we as Reformers could agree with.

Like the Bloc, Reform believes that the federal government must give the provinces, which have exclusive constitutional jurisdiction over the programs, more freedom to design and administer social programs. We share the Bloc's belief that programs of this nature should be delivered by levels of government closest to the people rather than by distant federal bureaucrats. Unlike the Bloc, however, Reform differs in how to decentralize the powers.

The Bloc has only one solution to our nation's problems, separation, but we in the Reform Party do not want to destroy Canada. We want to build it.

Reform believes that the solutions to our problems lie not in separation but in legislation and negotiation. Our Constitution already grants us the flexibility we need. Over its first 128 years the Canadian federation has proved to be extremely malleable. It has bent and reshaped itself to meet the needs of the day. Even in the absence of full scale constitutional reform I am confident our federation will adapt again to the needs of circumstances in the next 128 years.

In defence of the government, the Canada health and social transfer is a modest example of rebalancing the federation through legislation. While the government's primary motive in creating the Canada health and social transfer was to save money. a secondary intention is undoubtedly to further decentralize programs. The most promising element of the CHST is the government's decision to remove all federally imposed restrictions on welfare funding except the residence requirement.

By shifting to unconditional block funding the federal government gives the provinces more freedom to experiment and to innovate. It will allow the people of each province to decide how best to deliver the services the citizens want. Unfortunately this decentralizing thrust is not extended to health care and advanced education, the other two components of the Canada health and social transfer.

The federal government's refusal to amend or reinterpret the Canada Health Act and the pooling of health, welfare and education funds into a single transfer payment give Ottawa an even bigger stick with which to beat the provinces into submission. It is a backward step that will make it more difficult for the provinces to control their health care costs.

• (1325)

This aspect of the Canada health and social transfer is a perfect example of the federal government trying to have its cake and eating it too. In the budget the Liberal government unilaterally reduced its cash transfers for health, education and welfare by some 40 per cent, yet at the same time it is continuing to insist that the provinces play by its rules.

This just is not right. If the federal government wants to set the ground rules in areas of provincial jurisdiction then it has to pay its share of the burden. If it is no longer willing or able to put up the dollars, which describes the present situation in Canada fairly accurately, it must be prepared to step aside and let each province decide how best to provide for its citizens' health care needs.

The truth is that the federal government cannot afford to use its spending power the way it did in the 1960s, the 1970s and the 1980s. The country is broke. It does not have the funds to deal with the programs as it has in the past. The federal debt, as we all know, is somewhere around $550 billion.

Just as important in political terms, further centralization is a non–starter all across Canada, not just in Quebec as the motion indicates. People are demanding the power and decision making be pushed down to the lowest level of government, to the grassroots. The Liberals are strong believers in central government. We can believe in rigid national standards but we can simply no longer afford them either fiscally or politically. Nor are they administratively responsible at this time in our history.

There is an alternative path we can follow toward a more flexible and decentralized federation which will offer provincial governments the freedom they need to make the choices they want for their respective citizens. To illustrate the alternative vision I look at the Reform taxpayers' budget that was presented to this assembly.

An amazing fact that no one picked up on in the budget is that the Liberals, the party of compassion, cut almost twice as much from the programs that make up the Canada health and social transfer as Reformers recommended in their alternative budget. In our taxpayers' budget we recommended reductions of $800 million in health, $200 million in education and $2.5 billion in welfare, for a total of $3.5 billion of expenditure reductions over a three–year period. In contrast, the government's budget reduces the cash transfer components of the Canada health and social transfer by $6.6 billion over the same three years. Who

has the most compassion in terms of the social needs of Canadians?

What distinguishes our proposal from the Canada health and social transfer is the decentralizing aspects of the taxpayers' budget. I would like to talk briefly about one element of the decentralizing initiative, the unconditional transfer of tax points to the provinces, which the budget of the Liberal government denies the provinces and Canadians.

The most significant difference between the CHST and our own Reform proposal is that we would transfer additional tax points to the provinces, whereas the Liberal budget would not. This is important for two reasons: first, because it provides increased flexibility and, second, because it ensures the stability of funding for the provinces.

On the first point, we all realize that the federal government can no longer continue to spend money it does not have. We in the Reform Party have openly acknowledged that and have stated publicly that as part of the Reform's deficit elimination plan we would cut $3.5 billion over a three–year period in the areas of health, education and welfare. Reformers also realize that if provincial governments are to absorb reductions of this magnitude they will need the freedom to innovate and to discover more efficient ways of delivering services.

• (1330)

That is why our tax point transfer is unconditional, with no strings attached. It is designed to provide maximum flexibility to the provinces of Canada.

On the second point, if provincial governments are to effectively provide these services then they must be given the resources to fulfil their responsibilities. They must be able to count on stable, long term revenue resources. Yet under the CHST this security does not exist. The federal government can unilaterally, at any time, reduce or alter the transfer to the provinces. This provides provincial governments with neither stability nor security.

Under the Reform's tax point transfer alternative, provinces would no longer have to guess how much Ottawa was going to send to them; they would know. This would allow them to extend their planning horizons, confident that money is going to be there. In addition, since the value of the tax points grows along with the economy, Reform's proposal would effectively increase funding for these programs over the medium and the long term.

In conclusion, Reform and the Bloc agree on the need for greater decentralization of powers to local and provincial governments. We also agree that the government's new Canada health and social transfer does not adequately meet this need. However, unlike the Bloc, we do not advocate destroying the country; we advocate rebuilding it. I would hope the suggestions we offer as the Reform Party here today, including the concept of transferring additional tax points to the provinces, will mark a positive beginning in this rebuilding process in our Canadian social fabric.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, it certainly is a case of strange bedfellows when we see the hon. member for Lethbridge joining forces with the Bloc: one is trying to separate us, the other trying to balkanize us, a different form of separation.

They propose we give all of this money to the provinces with no strings attached. Code word: break up the national health care program; do not give a standard payment for welfare; shaft those who have no consensus from one side of the country to the other. Those are the code words they use in the House every day. It is not fair to those who can least defend themselves.

On the welfare payments, you go to certain provinces and they ask you to take the next bus to British Columbia. That is the kind of compassion that comes from this kind of proposal.

The federal government has a right and a responsibility to stay in touch with those in need. When they set a national standard they should see that the money they transfer goes to meet that standard. That is the case with every program, and that should be put in.

For those people from Newfoundland to British Columbia and those in between it is important to see that their services are delivered equally. No one group in Canada should get better services than another when it comes to health care.

I am sick and tired of hearing remarks like: "We will give them the chance to do whatever they want". That is a great statement. They can do whatever they want with those who cannot defend themselves.

Mr. Speaker (Lethbridge): Mr. Speaker, in response to the hon. member I want to say this. In this federation we are trying to build it is time that we start to trust our partners. The partners we must trust are the provinces. The 10 provinces of Canada must be trusted to take on responsibilities to meet the needs of their citizens, determined by the priorities of the citizens in their respective provinces.

I have witnessed in my political career for 32 years situations where provinces often had a greater care and a greater compassion than the federal government with regard to the priority needs of the provinces.

When I come to this House it is disappointing to hear someone who has been around this assembly for some period of time and to hear the Liberal government, which thinks it has all of the answers and wants to centralize everything in a centralized bureaucratic system, tell the provinces what to do. They think

that under that system they are going to meet the needs of the citizens. We will not build federalism with that kind of mistrust.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, my colleague from the West mentioned, in his speech, that he was committed to keeping the country together. He also stressed how important it was to negotiate.

• (1335)

I would like to remind him that Quebec has long been asking in vain for a special status within Canada, in recognition of its unique French culture. This is not negotiating. The 1982 Constitution was forced on Quebec. We did not accept it, we tried repeatedly to negotiate. It would appear that the federal government is no longer interested in negotiating with Quebec. Once again, Quebec is losing. These are two reasons why Quebec wants to separate from the rest of Canada.

In his speech, the member also said that the federal government was bankrupt. Not only is it bankrupt, but as we saw, the Liberal government has no vision. It makes cuts everywhere. Without any vision, it lacks compassion for the less fortunate. This is not reassuring.

I want to tell you that another reason why we want Quebec to become sovereign, is that we will do better on our own, we know what our needs are, and we know how to solve our problems, if only the federal government did not interfere. This is why we want to separate.

[*English*]

Mr. Speaker (Lethbridge): Mr. Speaker, very briefly, number one, I would fight and stand shoulder to shoulder with Quebec and any other province in this nation so that we are all treated equally. That is a very important principle.

I had the opportunity over the years to negotiate with the federal government and stand shoulder to shoulder with ministers from Quebec to fight for our fair share of health payments: social service payments, housing grants and moneys from the federal government. The province of Alberta and the province of Quebec at the negotiating and bargaining table over and over again, and I can say this without exception, always had the same point of view. We were partners in negotiating with the federal government to get our respective share of either federal funds or legislation that was required to carry out our responsibilities.

We were never in conflict with our objectives. That was part of the federation that was very important. A part that is often overlooked by Quebec and by other people in Canada is that Quebec did have allies in Canada fighting for the same cause and the same purpose. That should continue in this federation. I would be disappointed if it did not.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I am pleased to have the opportunity to address this problem.

I had an opportunity to meet with some graduates in my constituency last Friday from three classes of high school students in three different areas. I asked each one of these classes, "Why do you think health, post–secondary education, and welfare are being reviewed in Canada today?" They said to me: "We think this is a political agenda. This somehow is something the politicians must do."

When I explained to them I took from some brand new federal documents from StatsCan the following figures. These figures are a fascinating indictment of some of the things we have tried to do in our country. Servicing the federal government debt will cost $1,522 per person in 1994–95. The federal government in 1994–95 will spend $268 per person on health and $168 on post–secondary education. That is $1,522 compared to $268 and $168.

The students in those three high school classes said to me: "Isn't that the problem then? Isn't that the problem for Quebec? Isn't that the problem for Alberta?" My answer is yes, that is the problem.

It would be very easy to be an opposition member and point fingers and blame the Liberal government. I do not think that is helpful.

In the same report it goes on to say—just in case those in Quebec think they can point the finger only at the federal government—that the provincial debt in Quebec is the highest in Canada, at $8,413 per person.

• (1340)

These figures go on to show all the provinces lined up in terms of their debt. The next closest is Nova Scotia, with $8,405, all the way down to Alberta, at $1,404 per person. I invite members to look at these documents. They are publicly available.

It is not sufficient to stand back as an Albertan and say it is the problem of the federal government. This is a Canadian problem, a problem far too big to be pointing fingers at.

I have had occasion to try to determine who is leading the debate in Canada. My big interest is health care, and I find that the public is far ahead of the politicians in this debate. The CBC has just done a four–part program on the future of our health care system, something that is unheard of in Canada. At the end of their four–part program it did a survey and asked Canadians if health care, the way it is set up today, is affordable. This question was not asked in a political sense; it was asked to practical, commonsense Canadians: Can we afford health care the way it is set up today?

Before I go to the answer, 57 per cent said health care was the most important government social program. I agree. However, about 90 per cent of Canadians polled in that survey said they expected medicare would cover fewer services in the future; 45 per cent predicted all necessary services would be retained;

another 45 per cent said only the most essential services would be covered and that most people would have to pay for much of the other health care needs.

When Reformers stood in the House last Thursday to initiate the first debate on health care in the House literally in years, an old time parliamentarian said to me: "Is it not interesting who should initiate this debate on health care? There has not been such a debate for years." When we stood in the House and initiated this debate, the press said you cannot talk about this, it is a sacred program; you cannot talk about changes to health care. However, the public in Canada says otherwise. I think the public is ahead of the politicians.

Can we trust the government to do what is right? Can we trust the party opposite, the government of the day, to do what is right? I do not believe that we could hope for anything but. On health care, this government will do what is right. Canadians value this program so strongly that no one could get away with doing what is wrong on health care. Can we trust the government to move in the right direction on health care reform?

I listened to the Prime Minister say he felt that health care needed to return to basics. When my province asked for a definition of the basics, the hands went up and the answer came: "No chance for that". A senior medical practitioner in Quebec said virtually the same thing. And this is new information. It comes from the senior general medical practitioner in Quebec who said there needs to be a change in the way health care is delivered because "the Quebec public health care system is on the brink of bankruptcy." Those are Dr. Clément Richer's words, not mine.

Is the rhetoric sufficient on social program review? It is not. Are promises that were made in the red book 18 months ago sufficient on social program reform? They are not. Quebec is asking and I believe the Bloc is asking to be treated fairly under the new proposals. I support them in that request. They deserve to be treated fairly as does every citizen in Canada. Shall we blame, argue, point fingers? My advisers say no, we need to find solutions.

• (1345)

The motion the Bloc has presented is well intentioned, however, it does not point to any solutions. It seems to me to be pointing fingers. Members of the Bloc should look at Quebec's own debt. Look at the $8,400 worth of provincial debt. Consider that with the $18,000 of debt which is federal. The two go hand in hand and are extremely important.

I ask the question, what will keep Quebec in Canada? Surely that is my desire. Quebecers need the freedom to nourish their culture and their language. They need authority over areas of provincial jurisdiction. I feel that Quebecers looking at Canada as most Canadians look at Quebec, equals working toward a common goal. The rhetoric will die out. Practicality will win out.

I listened to the Minister of Health ask on Thursday, how would Reformers coerce the provinces into following national standards, and I shake my head. The provinces do not need to be coerced into following social program review. They need to have the tools. They need to have the information. They need to have the co–operation. They need to have the work of every single man and woman in these chambers.

It is a privilege to be a member of this House. When parliamentarians argue and gripe and frown and grimace at one another it sometimes detracts from the importance of the job that we do here. I dedicate my service to try to make sure that we have good social programs in Canada, programs that will survive the economic crisis we are in. That service is too important to be denigrated by arguing.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, yesterday I had the pleasure of meeting with a representative of a community group on Somerset West in my riding of Ottawa Centre. The subject of discussion was the Canada assistance plan.

Groups have called on the federal government to enter into discussions with the provincial government in order to ensure that there are standards, objectives and goals and that the priorities are set straight. Also, they have called on the federal government to ensure that community groups such as the organization I mentioned are involved in the process when it comes to the delivery of programs or the setting up of principles. I support their demands.

I bring to the attention of my colleagues section 36(1) of the Canadian Constitution. It permits the federal government as well as the provincial government jointly to promote equal opportunities for the well–being of Canadians to further economic development and to reduce disparities.

In fact, the federal government has a significant responsibility to ensure vertical equity among Canadians as well as horizontal equity among the country's regions. That is exactly what the government set out to do in the 1995 budget. I refer to page 53 of the budget.

The Minister of Finance stated that the federal government under the leadership of the Minister of Human Resources Development will invite all provincial governments to work together on developing through mutual consent a set of shared principles and objectives that could underlie the new transfer. In this way, all governments could reaffirm their commitment to the social well–being of Canadians. In other words, the government is committed to building consensus among the provinces and not imposing it on the provinces.

The submissions of both opposition parties seem to be clashing with one another. They are flying in different directions and missing the point of what this government is trying to do. What this government has tried to do is to consult with the provinces.

• (1350)

Did the hon. member have any representation from his constituency, as I did in mine, on the need for consultation and the need for setting minimum standards and goals and objectives when it comes to CAP transfers or block transfers to the provinces?

Mr. Hill (Macleod): Mr. Speaker, I can frankly say that I have not had any such consultations. In my part of the country the general consensus is that the federal government is too intrusive and has lost its moral authority. The $1,522 debt that it has discharged on every person in Canada has left them without the ability to do what they have traditionally wanted to do. Therefore there is no sense of that in my part of the country at all.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, first, I would like to congratulate my Reform Party colleague for his presentation. He spoke about the Quebec debt being very high, as high as $8,400 per capita, and said that Bloc Quebecois members should look at what is happening in their own province before they point a finger at the federal government.

I think there is not one Bloc Quebecois member who rose in this House to say that Quebec's debt is unimportant and that we should not be concerned, quite the contrary. Members of the Bloc Quebecois and of the Parti Quebecois government know that during the ten years of Liberal government, the debt has more than doubled and that something has to be done about that situation.

The member also accuses our Bloc colleagues of not proposing solutions in this debate. Let me remind him that solutions were proposed, again by all stakeholders from the Quebec government. I would like to hear what he has to say on that point. When we speak about manpower training, there is a consensus in Quebec. All stakeholders, whatever their political affiliation, want the federal government to withdraw completely from that area and let Quebec take over. We ask the same thing for health and education. We want the federal government to transfer tax points and let us manage those areas. We will do so very efficiently.

[*English*]

Mr. Hill (Macleod): Mr. Speaker, as my colleague from Lethbridge said, there is a common ground between Quebec and many other parts of the country. On this issue where it speaks specifically about withdrawing from areas of provincial responsibility we do have common ground.

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, it is a pleasure for me to have a few minutes to participate in this opposition day debate on the Canada health and social transfer initiative put forward by this government.

Many things have been said about the recent budget by the Minister of Finance, mostly good things. Canadians have significantly expressed their support for this budget in poll after poll. On radio and television talk shows they expressed their support in vast numbers for the federal government's recent budget. This budget, I might add, will no doubt go down in history as a significant step forward for this country.

As Canadians see this budget as an opportunity to put the government's finances back on track after so many years of mismanagement, it would seem that the NDP in Ontario see this as an opportunity of a different sort. Our Bloc colleagues in this House see the budget as a chance to take something away from what has become a very positive discussion for Canadians.

Let me take a few moments and relate my thoughts on what the NDP is attempting to do in Ontario by focusing on the federal budget. It is clear that the NDP in Ontario does not have a record it can reliably depend on to get it through the Ontario election which is now under way. In fact, some of my colleagues may have received in the mail a package from the Ontario government called "The 1995 Ontario Budget Plan". It is a small document outlining what the NDP claims to have done and will do if re–elected.

• (1355)

The Acting Speaker (Mr. Kilger): Order. I would caution the hon. member on the use of accessories or props. If he is going to quote from a document, I understand that full well. Otherwise I would caution him on the use of props.

Mr. St. Denis: Mr. Speaker, the purpose of referring to this document is to bring to the attention of my hon. colleagues that the NDP has attempted to hang its success on the federal budget. I dare suggest to the Ontario NDP that this attempt will fail. Canadians have too much respect and regard for their federal finance minister to be taken in by a plan such as this.

In fact, the Canadian Federation of Students made a presentation to the finance committee earlier today. They expressed concerns about the budget but they put forward positive ideas. I suggest that the Ontario NDP should be looking for positive ways to make this country work.

Our Bloc colleagues are attempting to use the budget as an opportunity to make gains on their own agenda. The agenda of the Bloc is quite obvious. There is no need to remind the House and Canadians what the Bloc agenda is. As the motion says in part, the Bloc is questioning what it alleges to be an imposition of standards on the provinces. Nowhere in the federal budget is

the finance minister or this government imposing standards on the provinces which in the first place are not there, or in the second place are standards which Canadians do not want.

I know that during my election campaign in the fall of 1993—

The Speaker: My colleague, of course, will have the floor after question period.

It being 2 p.m., we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

FIREFIGHTERS

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to pay tribute to Canada's firefighters.

This week firefighters from across the country are meeting in Ottawa for the International Association of Firefighters fourth annual legislative conference.

These brave men and women are an integral part of every Canadian community. With little regard for their own personal safety they battle in the most dangerous of conditions, providing Canadians with peace of mind.

Their exposure to infectious diseases is a major reason firefighting is one of the world's most dangerous professions. Firefighters routinely provide emergency medical treatment in unsanitary field conditions on patients they know nothing about. This results in firefighters being occupationally exposed to a variety of dangerous contagious diseases.

Firefighters who have been exposed to infectious diseases need to be further informed of this fact so they can seek medical monitoring and modify their behaviour to avoid further transmission. It is my hope that the federal government will soon provide this information.

I salute Canada's firefighters.

* * *

[*Translation*]

POLICY ON BILINGUALISM

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, because of a difference in the French and English versions of the federal income tax return, French–speaking Canadian taxpayers living temporarily outside Canada will pay more income tax than their English–speaking counterparts.

Line 419 of the French version refers to a 4.56 per cent surtax, while the surtax in the English version is only 3 per cent.

The Commissioner of Official Languages, Victor Goldbloom, was totally justified in saying in his 1994 report that the bilingualism policy was still poorly implemented more than a quarter century after its adoption.

How can the government justify such a lack of rigour where the equitable treatment of francophones in Canada is concerned?

* * *

[*English*]

FIREFIGHTERS

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, firefighters and paramedics respond when we call 911 for their help. They rush to our aid with little regard for their own personal safety. Sometimes they are injured. Sometimes they are infected. They approach Parliament this week with a simple request: "Inform us if we have a risk of infection". This proposal will not produce new testing, will guarantee patient confidentiality and would never result in someone going without the help they desperately need.

In a sense the firefighters are calling 911 to the Minister of Health but she has put them on hold. They deserve better. I call on the health minister to act now.

* * *

LOW LEVEL FLIGHTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the Minister of National Defence announced the Liberal government's acceptance of the proposal to double, perhaps triple, the number of low level military flights that take place over Innu territory in Labrador and Quebec.

The military aircraft fly at 30 metres above the ground, disrupt wildlife and imperil hunting and fishing grounds. Caribou are often found starved, too frightened to eat. The Innu, who live off the land and its animals, worry about the future of their traditional way of life.

The government is aware that its environmental assessment panel admitted the impact on the environment and aboriginal rights is unknown and refused to listen to issues raised by aboriginal people relating to their land.

The Innu have never signed a treaty with the Canadian government for the use of their land and the government has never asked permission to conduct these military flights over that territory. All the Innu people want is a life of peace.

All people deserve respect. As the minister of Indian affairs said recently: "It's their territory. They have a concern. It's a legitimate concern".

* * *

HAROLD BEAUPRÉ

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, on the morning of April 17, 1943 a Lancaster bomber with a seven–man crew, part of the 83rd Squadron, crashed in German occupied France after a raid on Manheim, Germany. The pilot, Pilot Officer Glen McNichol, was killed in the crash and the six survivors were taken prisoner.

Pilot Officer Harold Beaupré, one of the survivors, was liberated from a prisoner of war camp in Lubeck, Germany on May 2, 1945. Today marks the 50th anniversary of Mr. Beaupré's liberation.

Two months later, on July 2 Mr. Beaupré became a prisoner of love and married his wife Margaret. Mr. and Mrs. Beaupré raised four children and continue to run their business, Beaupré Stamps, in uptown Waterloo. They continue to contribute to the social and economic life of their community.

To Mr. Beaupré and to all Canadians who served in the two world wars, the Korean war and the ones involved in past and present peacekeeping, we give our thanks and admiration.

We will always remember the sacrifices they made and continue to make for Canada.

* * *

REFORM PARTY

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, during the last federal election a political party in Canada promised to lower spending on federal administration and reduce subsidies to businesses. This party also promised cuts to national defence and argued for improved social spending by refocusing benefits on those most in need. These promises were made by the Reform Party in the blue sheet.

However when the Liberal budget delivers and improves on these promises the Reform leader calls them dishonest and cowardly.

Canadians have made it clear that they do not want politics as usual. They reject doom and gloom and Reform Party sophistry. Canadians want leadership and compassion. That is why in poll after poll they continue to support their Liberal government.

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FIREFIGHTERS

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, this week the International Association of Firefighters is holding its fourth annual conference in Ottawa.

Professional firefighters risk their lives daily in an effort to save the lives and property of their fellow citizens. They are the largest providers of field emergency medical care. In the course of saving lives firefighters and emergency medical personnel are exposed to danger, disease and hazardous materials.

The International Association of Firefighters is committed to ensuring that all firefighters are provided with the most accurate, updated information regarding the emergency situation to which they must respond.

Along with my colleagues in the House, I congratulate and thank all firefighters across Canada and around the world on a job very well done.

* * *

• (1405)

[*Translation*]

2002 OLYMPIC GAMES

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the Minister of Foreign Affairs could not resist pulling another dirty trick on Quebec at the convention of the Quebec wing of the Liberal Party of Canada last weekend.

Showing incredible contempt, Quebec's political godfather in the federal cabinet said that the referendum report was hurting Quebec City's chances of hosting the Olympic Games in 2002, even though both the Minister of Foreign Affairs and the Prime Minister told us that all Canadian diplomats were actively supporting Quebec City's bid to the International Olympic Committee.

We hope that the Canadian embassies and consulates responsible for promoting Quebec City's bid will do their job without paying attention to their boss's comments.

After the Prime Minister said that Quebec City was prevented from hosting the G–7 summit because the Canadian flag does not fly in front of its city hall, the federal government is once again resorting to threats in the matter of the 2002 Olympic Games.

* * *

[*English*]

LIBERAL PARTY

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, the governing Liberals are proving once again that they are no friend of Saskatchewan. The last federal budget hit Saskatchewan with cutbacks in agriculture, the Crow rate and an increase in fuel tax.

In the face of this sacrifice in Saskatchewan the minister of public works has the nerve to announce that the government is giving $4 million to the Harbourfront Centre in Toronto.

The government cannot find money for farm support, but it can fund cultural centres. It says it no longer has money for grain transportation but it will continue to fund fat, gold plated MP pension plans.

The Liberals have no cash to stop booze and gun running into my province from the United States but it can find millions of dollars for gun control registration that will have no effect on crime.

The Liberal government can borrow billions of dollars to fund its own pet projects at the expense of hard working, taxpaying farmers.

It is clear that this government is no friend of Saskatchewan and her future generations.

* * *

FIREFIGHTERS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, exposure to infectious disease is a major reason why firefighting is one of the world's most dangerous professions.

Firefighters routinely provide emergency medical treatment in unsanitary field conditions and are exposed to infectious disease.

I would like to know why the Minister of Health has failed to commit to a national protocol regarding infectious disease notification. Will the minister commit to a national system for the safety of our firefighters, their families and the rest of society?

* * *

THE ENVIRONMENT

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, the world community is looking to Canada and other industrialized nations to set a good example on the pressing issue of climate change.

Certain gases, most notably carbon dioxide, collect in the earth's atmosphere and trap heat. Most carbon dioxide is produced in industrial nations from burning coal, oil and gas. Thus we must find ways of reducing the consumption of these fossil fuels.

Climate change is not only an environmental issue, but also an ethical issue. If Arctic ice caps melt and oceans rise, the lives of millions of coastal and island people around the globe will be in danger. It is important that Canadians understand the cause and effect of climate change.

Therefore I urge the government to do everything in its power to launch a public education and awareness program to explain the complexity of this issue.

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, in *Le Journal de Montréal* this morning, the Bloc leader is quoted by Martin Leclerc as saying that the solution to poverty issues lies in a sovereignty plan. The things you hear.

The Quebec separation plan creates pervasive uncertainty and aggravates the problems confronting us, including poverty. With its plans to separate, the Bloc Quebecois will do anything to win its ideological war, even sacrifice an entire generation of young Quebecers.

[*English*]

Let us try to convince the Leader of the Opposition that we should work together to win the real war, the war against poverty.

* * *

NATIONAL COMPOSTING AWARENESS WEEK

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, this week, National Composting Awareness Week, we celebrate the benefits of composting, both to reduce waste and to create nutrient rich earth.

Composting facilities across Canada process almost 700,000 tonnes or about 11 per cent of the organic waste produced each year, but it is believed that about half of the total waste stream could be composted.

About a million Canadian households also divert 200,000 tonnes of their kitchen and yard wastes through back yard composting. I commend those that realize the importance of composting and I urge all Canadians to get involved in this valuable program for life.

We must reduce the amount of garbage in our landfills if we no longer want to be counted among the most wasteful people on the planet.

* * *

• (1410)

[*Translation*]

LOW LEVEL FLIGHTS

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, the Minister of National Defence announced yesterday that he fully endorsed the report of the panel reviewing the issue of low level flights in Labrador and Quebec. Interestingly enough, the Minister of the Environment, to whom the report was also directed, did not speak up. Her silence can only mean that her colleague's decision defies even the most elementary rule of prudence, which says that the impact of such a drastic increase in the

number of flights should be assessed before a decision is made, not after, as the defence minister is suggesting.

The Minister of the Environment, who boasts about making Canada a world leader in environmental matters, will have to bear the political burden of this decision, which is contrary to the principles of sustainable development, caution and prevention she talks about day in and day out.

* * *

[*English*]

LIGHTSTATIONS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the coast guard lightstation services project went to 28 B.C. locations and cost $202,000. Its report is now more than one month old and will be released today.

I hope the current minister responsible has read it and will conclude what the B.C. public has concluded. Public consultations with 1,397 residents, mariners and aviators, representing hundreds of thousands of users, indicate that opposition to destaffing B.C.'s lightstations is widespread, often vehement and overwhelming.

The rationale is solid. Public safety, drug interdiction, science and sovereignty are paramount. The only minister from B.C. stated he would support keeping staffed lightstations if coast guard consultations said the public wants them.

The people have now spoken.

* * *

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, the main problem of the P.Q. government is its obsession with Quebec's separation, regardless of the real problems affecting its citizens.

In his book entitled *Moi, je m'en souviens*, Pierre Bourgault clearly outlines the problem and I quote him: "There is something more important than the fight for independence and that is the fight against poverty. Why put aside these social concerns, which have always been part of separatist thinking? Ultimately, would it be the separatists, much more than the people, who are inconsistent?"

It is high time that the P.Q. and the Bloc Quebecois realize that Quebecers expect from their elected people that they deal with the real problems and put an end to their obsession with separation.

[*English*]

VIETNAMESE COMMUNITY

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, I rise in the House today to reflect on the courage, strength and determination of the Vietnamese community in Canada. This past week marked the 20th year since the end of the war in Vietnam.

The war was not just a convulsive era in world history. It was a horrific nightmare for its victims. A Vietnamese proverb teaches that if a parent is cruel, the children will choose another.

When the war ended it did not bring peace to the people of Vietnam. Refugees fled a cruel parent in rickety boats, risking their lives to escape. Many of them made it to Canada. In fact, Canada has resettled more than 145,000 Indo–Chinese asylum seekers since 1979.

The boat people, 23,000 of them, came to Canada where they faced new challenges, but as part of a welcoming Canadian family. These brave people have brought success born of their industrious nature. They have also enriched Canada's diverse social fabric.

On behalf of this Parliament I would like to pay tribute to the Vietnamese community in Canada. Vietnam's loss has been our reward. I would like to pay tribute to Vietnamese Canadians and to applaud the spirit of generosity and hope that brought them to us and to give thanks that today Vietnam is a place of peace, not war.

* * *

THE HOLOCAUST

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, on Sunday I spoke at the Holocaust Memorial Service held in Fredericton. This year's service marked the 50th anniversary of the liberation by allied forces of the Nazi death camps.

These camps are the graveyards for millions of individuals, the vast majority of whom are Jews. They committed no crime. They broke no laws. They did nothing to deserve the medical experimentation, tattooing, forced labour and gassing they endured. It is a blight against humanity that anything so unspeakable could occur in what we think of as a civilized society and that it could go on for so long.

• (1415)

If anything can be gained by the inhuman crime that was the Holocaust, I hope it is awareness on the part of every individual to be on guard against attitudes that could lead to anything resembling this atrocity from ever happening again.

ORAL QUESTION PERIOD

[*Translation*]

SEAGRAM

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, early in April, the Minister of Canadian Heritage made a discreet trip to Los Angeles, on the very day Seagram's took over MCA. He went to Los Angeles accompanied only by his executive assistant, without any senior officials and without any advance briefing by his department, which is customary prior to a minister's trip abroad.

My question is directed to the Minister of Canadian Heritage. How can he say he did not talk to the people at MCA and Seagram's in Los Angeles on April 10, when according to the *Hollywood Reporter*, he was MCA's guest of honour at a dinner the day after MCA was acquired by Seagram's?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it is true I had lunch in the cafeteria or just outside the cafeteria at MCA.

Some hon. members: Ah?

Some hon. members: Oh, oh.

Mr. Dupuy: If any details are required, here they are. We had chicken and ice tea.

I met representatives of major U.S. studios located in the Los Angeles area. I was never even remotely involved in any aspect of a transaction between Seagram's and MCA. I said it before and I say it again, I was there to defend Canadian interests, the interests of an industry that is important to Canada—the film industry—and I would expect the opposition to support these efforts to defend and promote the interests of an industry that is Canadian and located in Quebec as well.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I knew that Foreign Affairs was cutting down on spending by ministers abroad, but making them have lunch in cafeterias is going a bit too far.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

An hon. member: How times have changed.

Mr. Bouchard: Indeed they have.

Will the minister admit that he went to Los Angeles at the invitation of Allan Karp, president of Cineplex Odeon which belongs to the Bronfman family and MCA and is a party to the transaction concluded the day he arrived in Los Angeles?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I have contacts with all players in the Canadian film industry, whether they are in distribution, production, post–production or movie–theatre chains. So it is entirely normal I should have contacts with Cineplex Odeon, one of the big chains. However, at no time during my contacts with Cineplex Odeon did I discuss what was happening, in other words, the acquisition of MCA by Seagram's.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, would the minister confirm that two of the guests of honour at his lunch on April 10, Mr. Wesserman and Mr. Sheinberg, the two top executives at MCA, were actually having lunch in the room next door with Edgar Bronfman senior and junior?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I could not be in two places at the same time. I was where I said I was. Where Mr. Bronfman and the others were? I was not there. I was not a witness. It is too bad the Leader of the Opposition keeps flogging a dead horse.

Some hon. members: Hear, hear.

• (1420)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, we recently learned that Cineplex–Odeon, which belongs to the Bronfman trust and to MCA, proposed to merge with Cinemark, an American company, to create a North American mega movie theatre company called Cineplex International. According to the *Globe and Mail*, if the transaction is completed, Americans will have a 42.6 per cent interest in Cineplex International, while the Bronfman/MCA group will hold 38 per cent of the shares of that company.

Considering that such a transaction would put Cineplex–Odeon under American control, will the Minister of Canadian Heritage tell us if he expressed his strong disagreement to Cineplex–Odeon's president, Mr. Karp, who happens to be the person who invited the minister to Los Angeles, given the impact of such a merger on the control of Cineplex–Odeon movie theatres by the American majors?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I never discussed this issue, either directly or indirectly, with Mr. Karp. The ownership of Canadian or foreign businesses does not fall under my jurisdiction, but under that of the Minister of Industry. I can confirm that this issue is neither directly nor remotely related to my department.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I am somewhat surprised by the minister's answers. He behaves as though he were not a member of this government. Is he still? We think so.

Does the Minister of Canadian Heritage not agree that, as the minister responsible for culture and communications in Canada, his primary responsibility is to clearly tell those who might be tempted to conclude a transaction deemed unacceptable by Canadian cultural groups that he and his government will fight tooth and nail to protect the Canadian industry?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, everyone knows that I strive to protect Canadian content on the information highway and in the audio-visual sector as a whole. I do it here in Canada, I did so in Brussels during the G–7 meeting and I will continue to do so.

Why protect Canadian content? So that we have our own identity, our own culture. How are we going to do it? By supporting cultural industries which produce this Canadian content.

* * *

[*English*]

ABORIGINAL AFFAIRS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the government's red book contains many high–flown promises including one to proceed full steam ahead with the undefined concept of aboriginal self–government and generous interpretation of treaties.

Could the Minister of Indian Affairs and Northern Development give us an update on what he and his department are doing to fulfil these promises?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, there is community based self–government with about 40 First Nations. There are the so–called land chiefs negotiations.

In Alberta we struck the first deal for moving gas and oil to aboriginal people, probably followed by another four or five.

In Saskatchewan there are nine co–management agreements. We are starting co–management in Saskatchewan.

In Manitoba we have dismantled the whole province. The province is now at the table.

An hon. member: They will be pleased to hear that.

Mr. Irwin: The member asked a question. I am sure he wants to be informed.

In B.C. the treaty process is moving. I am pleased to announce it is now supported as of the weekend by the Lutheran bishop, the Ukrainian Catholic bishop, the Anglican bishop and the Roman Catholic bishop for the first time.

In Ontario we are negotiating with NAN for dismantling and moving jurisdiction of education in treaty 3 that is around Fort Frances, which the hon. member never gets to.

• (1425)

In Quebec we are working with all 10 First Nations plus the Inuit.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, I am sorry to hear the minister is dismantling the province of Manitoba.

The minister implies that the government is committed to the concept of self–government and resolving treaty issues. However at the same time the minister's officials are advising him in a slightly different direction.

I quote from the minister's leaked briefing notes which advise the minister to bring the high expectations of the aboriginal community to manageable levels so that the federal government will avoid being placed in a position of trying to explain why it is not keeping its red book promises.

My question is for the minister. Why is the minister in his public statements raising high expectations with respect to aboriginal self–government while being advised in private by his officials to reduce high expectations for self–government and to avoid red book promises?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, unlike the leader of the Reform Party, what I say in private is exactly what I say in public.

With the aboriginal people I say just this. We have to scope out exactly what this means. That is part of the treaty process. If the leader of the Reform Party wants to know what I saw in my briefing books he should have been at the opening meeting with treaty 6 where I said just that. I signed a memorandum of understanding with treaty 6 in Alberta and said just that. It is in the public speech that was released. He probably got it from one of the Calgary papers.

We have to scope out exactly what this means. It is exactly what we did publicly in the treaty 6 memorandum of understanding. It is exactly what we will do with the Iroquois, with the Murray treaty in Quebec, always publicly and always straight up. We are making progress.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, this advice is contained in ministerial briefing notes dated April 18, 1995. Many Canadians suspect from the minister's past behaviour that he does not read his briefing notes or follow the advice from his officials.

In the rash statements made by the minister with respect to self–government, do we not yet have another instance of an impetuous minister operating oblivious to the concerns of his officials and making rash statements publicly that he is advised against making privately?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, we have been waiting for the famous aboriginal policy of the Reform Party. The leader has

done once again what he usually does. When he cannot deal with merits, when he cannot deal with compassion and when he cannot deal with issues, he personally attacks me.

I am doing my job. The hon. member should be doing his job if he is serious about helping the native people of the country.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The minister will announce today the appointment of a committee chaired by a friend of the government, Mr. Pierre Juneau, whose task will be to examine the operations of the CBC, the National Film Board and Telefilm Canada. Now, the Standing Committee on Canadian Heritage should table its report on the CBC by the end of this month.

How can the Minister of Canadian Heritage rationalize the appointment of a special committee chaired by a friend of the government when a committee of the House of Commons is preparing a report on CBC operations?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, nobody can question the qualifications of Mr. Pierre Juneau, who is a distinguished Canadian, one of the greatest experts we have in this country, and a French–speaking Canadian on top of that. I am outraged at such a disgraceful attack.

As to the review that is being launched, it was announced in the budget, and it is not at all incompatible with the report of the standing committee.

• (1430)

The task of Mr. Juneau and of other committee members is, in fact, to examine the standing committee's recommendations, and they must take those recommendations into account.

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, are we to understand that, by setting up that new special committee, the minister is about to repeat what happened in the case of Power DirecTv, where he appointed a panel whose made–to–measure recommendations backed the federal government's decisions?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, it is very kind for the hon. member to suggest I wield so much power I can pull the strings. That is not the case. That committee will be totally independent. Its terms of reference will allow a thorough examination of the issue. When the report is handed to me, I will consider it. That is all.

[*English*]

ABORIGINAL AFFAIRS

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, in the secret briefing document mentioned by the member for Calgary South-west the minister states: "By responding to treaty issues the federal government will avoid being placed in a position of trying to explain why it is not keeping its red book promises."

Clearly the minister is cynically going through the motions. He is following an incoherent and unprincipled approach.

In light of the revelations in the secret briefing document, will the minister admit he does not actually have an effective and practical treaty policy?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, let us talk about principle. The hon. member's riding is 30 per cent aboriginal. Within his riding I saw a certain generosity, which I do not find in the member, from the people of Terrace, Prince Rupert, Stewart, Smithers, Kitimat and Port Edward.

Out of curiosity last week I checked with the Vancouver office and did a comparison on Jim Fulton who represented the same area as the member. Jim Fulton sent 600 letters in four years regarding aboriginal people. This member has sent two letters in a year and a half—

Some hon. members: Oh, oh.

Mr. Irwin: On principle from the hon. member I will not wait for his letter.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, in the leaked briefing document the minister warns his cabinet colleagues that after 18 months of confusion: "The federal government cannot postpone the development of an effective and practical treaty policy".

Obviously the minister has no such policy. Will the the minister promise that if he ever does manage to develop a coherent policy he will share it with minor players like Parliament and the Canadian people?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I did not hear the question.

The Speaker: I invite, without preamble the putting of the question. The hon. member for Skeena.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, will the minister promise that if he ever does manage to develop a coherent policy he will share it with minor players like Parliament and the Canadian people?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I disagree that Parliament and the Canadian people are in the same category as my hon.

friend suggests. I am quite happy to share the treaty process on inherent rights with Parliament as soon as it is available. I hope to have it available fairly quickly.

* * *

• (1435)

[*Translation*]

BOSNIA

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Following a Croat offensive against the Serb enclave Krajina, Serb forces retaliated by taking 115 police officers and peacekeepers hostage. In addition, the UN's special envoy, Mr. Akashi, left Sarajevo yesterday without a signed agreement on extending the ceasefire in Bosnia.

Will the Minister of Foreign Affairs update us on the situation of the hostages and can he reassure us that everything has been done to protect Canadian peacekeepers stationed in Bosnia and Croatia?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the situation is certainly very serious and we hope that the representative of the United Nations, Mr. Akashi, will be successful in negotiating with the parties, on the one hand, the release of the hostages, and, on the other, a ceasefire which would bring lasting peace to this part of the world.

I can reassure the hon. member and the other members of this House that we are taking appropriate measures, in collaboration with the other countries which have contributed to this UN peacekeeping mission, to protect the soldiers participating in this mission as much as possible.

There are risks inherent in being a soldier, by the very nature of the work, but we are also aware that we cannot keep troops in a situation where the role they are intended to play as peacekeepers no longer has its place. That is why we are in the process of re–examining the whole issue in collaboration with the other governments concerned.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the minister has said a great deal about negotiations. Can he confirm that the UN has made no progress during its negotiations with the Serbs on the reopening of the humanitarian airlift into Sarajevo, and will he admit that he fears that the end of the ceasefire marks the beginning of out–and–out war?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, we regret that the parties did not accept to extend the ceasefire period. However, we hope that the fact that the ceasefire is over does not necessarily mean a new onslaught of hostilities. Efforts have been made to bring the parties to use restraint and to not resume hostilities, even though they have chosen not to renew the ceasefire.

We are perfectly aware that the situation could deteriorate. That is why we have placed our trust in the representative of the United Nations, whom we support in all of his efforts.

* * *

[*English*]

ABORIGINAL AFFAIRS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the government has recently appointed a chief federal negotiator to help interpret the recently recognized 1760 Murray treaty. This leaky brief, or should I say leaked brief, of the minister states: "Our participation could not be postponed for fear of being perceived as not wanting to discuss the treaty and allowing Quebec to take the lead in a tense political climate".

If the government is only participating because of the Quebec sovereignist agenda does the federal negotiator have a real mandate to interpret the treaties in contemporary terms as promised in the red book?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the Murray treaty was signed by General Murray. The Iroquois, who were allies of Quebec, found themselves on the wrong side of the battle line. It allowed them to get back into Quebec. However, it is vague.

Mr. White (Fraser Valley West): Very vague.

Mr. Irwin: Why does the hon. member not check that? He has probably never heard of the Huron and probably does not even know where the Murray treaty launched them. I will give him this lesson.

Max Gros–Louis is the leader of the Hurons. Both the province of Quebec and Mr. Cliche through the premier and the government want to negotiate the Murray treaty, and we are. The negotiator is there. It is up and going. I am sure that when the results come out, long after the government has been defeated—pardon me, after the Reform Party has disappeared, Freudian slip—this will be very—

Some hon. members: Order.

• (1440)

Mr. Irwin: Let me finish. This will be very important because it will give the leader of the—

The Speaker: The hon. member for Prince George—Peace River.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I was chuckling because of the difficulty the minister has as he stumbles over the word plan. He has no plan.

Quoting once again from the leaked document: "The aim is to develop a strategy to address the red book commitment, manage expectations and develop federal views on the substance of a contemporary treaty process". The government does not intend to address treaty issues until this fall and until then, "there will be no authority to commit to substantive treaty processes".

How is it possible for the federal representative to negotiate in good faith with First Nations in Quebec when he has no authority?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I do have authority. My friend talks about a leaked document. Perhaps he should talk about a stolen document which would be more appropriate.

Some hon. members: Oh, oh.

The Speaker: In the sense of the word and the way it was used I ask the hon. minister to please withdraw the word "stolen".

Mr. Irwin: Mr. Speaker, I will withdraw the word. I would not suggest the Reform Party would steal anything, let alone a good idea.

If the question is whether we have authority and are negotiating, the answer is yes. We are negotiating and my negotiator does have authority. We will be working in concert with the province of Quebec.

* * *

[*Translation*]

FISHERIES

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

On April 13, in an unprecedented decision, the federal Minister of Fisheries and Oceans revealed his plan for managing snow crab in 1995, which will deprive Quebec fishermen of 400 tonnes of crab, which will be transferred to Prince Edward Island and Nova Scotia. This improvised transfer will mean the loss of 40 plant jobs and over $3 million for fishermen of the Gaspé and Magdalen Islands.

How does the Minister of Fisheries and Oceans justify his decision to transfer 400 tonnes of crab fishing quota from Quebec to Prince Edward Island and Nova Scotia?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the hon. member for his question and for his interest in the management of the snow crab fishery in the gulf since this fishery is extremely valuable for all of the participants.

The member will know that literally thousands of inshore fishermen, small boat fisherman throughout Atlantic Canada, including fishermen in Quebec, have been asking for a share of this resource during a time when prices are at a historic high and when landings are at a historic high.

Therefore, I have taken a decision which gives many fishermen in Quebec an opportunity this year to participate in the snow crab fishery on a temporary basis when prices and landings are high. As those prices and landings turn down, the historic share between the provinces in snow crab returns exactly to normal.

If my friend is telling me, and he may want to correct himself, that he does not want anybody but those who already have access to the resource, those who already have big incomes, to share in the wealth, then perhaps he can tell me that is the position of the Bloc Quebecois, but I would be surprised.

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, the minister talks of sharing, but is he aware that this is the third decision by the federal government in only six months that is unfavourable to Quebec fishermen?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I cannot absolutely assure the member there is no change in the structure, no change in the sharing arrangement in access on a permanent basis for those who have permanent licences in snow crab.

• (1445)

If the member's concern is fairness, then I ask him to listen to what I am saying. The only change this year is temporary. Literally some of the boats in the midshore made $600,000 to $700,000 per boat last year. It is to take some of that tremendous wealth and for this season with high prices and high quotas to share some of the resource.

I believe my hon. friend would want to support that kind of initiative to ensure that the fishermen of Quebec are given a fair and balanced share of the resource.

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PACIFIC SALMON FISHERY

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans as well.

For the past few months Canadians have applauded and supported the federal government's tough stand on what has become known as the east coast turbot dispute. There is an equally important fishery on the west coast which is under pressure from environmental factors as well as unresolved disputes with the United States.

Will the minister assure this House that he is prepared to take equally principled and responsible measures to ensure the long term viability of the Pacific salmon fishery?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the member for his question on the Pacific salmon fishery. Indeed an important part of Canada's heritage is the tremendous resource called the Pacific salmon in the greatest river bar none in this country, the Fraser River.

I want to assure him and all the fishermen in the House that as recently as last week I met with the U.S. ambassador and the negotiators for both Canada and the United States. We are looking at the possibility of bringing in a mediator to resolve our outstanding differences in the Pacific salmon treaty.

In the interim I assure the House and the people of Canada that we will have the toughest conservation regime which has ever been put in place to ensure the preservation of the Pacific salmon stocks in 1995.

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ABORIGINAL FISHING STRATEGY

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

I have in my possession a leaked secret document from the minister's department which states: "The fisheries situation has become volatile as more and more aboriginals try to exercise perceived fishing rights to the detriment of a properly regulated fishing industry".

Why does the minister continue to allow the native fishing protest on the east coast and why does he continue to defend the aboriginal fishing strategy on the west coast when his own advisers are confirming that native fishing is not properly monitored and has become a severe threat to Canada's fishing resource?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I would agree with the hon. member on one point. There has to be monitoring of any system we put in place. As the minister of fisheries made quite clear, we have to have monitoring internationally. We have to know figures, so I agree with that.

As far as the volatility is concerned, I will tell the hon. member why there is volatility. It is because on April 28 on a B.C. open line show he called the natives of B.C. non–contributors.

Some hon. members: Oh, oh.

Some hon. members: Shame.

Mr. Irwin: He said: "Well certainly, Ben, and the whole thing that is dividing the native and non–native population is the fact, you know, so many people are just not in agreement with non–contributors", referring to the aboriginal people. As long as Reform has this attitude there will be a volatile situation in B.C.

Going back to what I said, the majority of the people in B.C. want to do the fair thing with the aboriginal people who live there.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, consider that these secret documents speak of the detrimental effects of native fishing. Consider that millions of west coast salmon went missing in 1994. Consider that the Fraser River report slams the AFS pilot sales project as not being effectively monitored. Will the minister today take the advice of his own officials and protect our fisheries resource by immediately calling for a suspension of the aboriginal fishing strategy?

• (1450)

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to respond to the questions about the aboriginal fishing strategy which is administered by the Department of Fisheries and Oceans.

Let me respond by saying to the member that it is tragically easy but patently irresponsible for people to stand and suggest that one category of Canadians is responsible for all of the problems in the fishery. All of us bear responsibility from every community to the fishery. It is transparently partisan in the worst sense of the word to single out one community and blame it for the problems we have had.

There are 35 recommendations in the Fraser panel report. All 35 recommendations within an hour of being publicly launched were accepted by this government. All 35 recommendations are going to be implemented. The cost of conservation will be borne by First Nations peoples yes, and by everybody else who participates in the fishery as well.

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[*Translation*]

LOW LEVEL FLIGHTS

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question as well is for the indian affairs minister.

The government agreed to an increase in the number of low level flights over Labrador and Quebec. Despite aboriginal protest, the government's decision will result in close to a threefold increase in the number of low level flights. This position faithfully reflects the Canadian army's point of view and does not take into account the people concerned nor the opinion of many environmentalist groups.

Can the minister tell us if he endorses the decision taken by his defence colleague and how he intends to justify it to the aboriginal people concerned, who are steadfastly opposed to these flights?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the decision I announced yesterday which accepted most of the recommendations of the environmental assessment panel report is a government decision. It is a collective decision. It is a decision that was taken in the best interests of all Canadians with respect to the obligations we have to our allies as part of the NATO alliance.

It is one where the economy of Newfoundland and Labrador will continue to benefit in excess of $100 million a year. Over 1,000 people will continue to be gainfully employed, 30 per cent of them from the aboriginal communities.

To assure those who believe that the continuation and even the expansion of the number of flights is perhaps environmentally unsafe, we have accepted the recommendation to set up an institute for monitoring the environmental concerns. A third party will be appointed to make recommendations in the setting up of that institute. We fully expect the aboriginal communities to be equal partners in the establishment of the institute.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is still for the indian affairs minister.

How can the indian affairs minister, who is letting the national defence minister answer for him, be an accomplice in the decision taken by his defence colleague, in view of the fact that he is the trustee of the rights of the aboriginal people and the custodian of their interests throughout Canada? I want the minister to answer this question.

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the Department of National Defence is the lead ministry on this file.

In the deliberation on the environmental assessment panel's report a number of ministers were involved, including the Deputy Prime Minister and Minister of the Environment, my colleague from Newfoundland, and of course, the Minister of Indian Affairs and Northern Development. At all times we were very sensitive to the concerns of the aboriginal peoples and in particular, the Innu who have some difficulty with the recommendations and will have some difficulty with the implementation of this report.

We are inviting all aboriginal Canadians concerned, especially the Innu, to take part in the institute to absolutely assure all of us that the monitoring is done in a proper and safe manner so that these flights can continue.

ABORIGINAL AFFAIRS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, we are quoting directly from this leaked document.

The minister of fisheries should put his smart remarks to the minister of Indian affairs.

Some hon. members: Oh, oh.

• (1455)

The Speaker: Colleagues, perhaps on both sides we are getting more and more into debate rather than questions and answers. I would invite the hon. member to please put his question.

Mr. White (Fraser Valley West): Mr. Speaker, this document from Indian affairs shows over $32 million has been handed over to 10 Indian groups to negotiate self–government. To quote from the document: "Central agencies are concerned about cost and dispersal of effort on aboriginal files. DFO and health want action on treaties to support operational policies".

Will the minister of Indian affairs confirm the tremendous significance of this statement that not only does he not know what he is doing or what in the world his policy is, but he is also dragging down and impeding the initiatives of other government departments which are pressuring him to get on with solving his problems?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I do not know what category the hon. member is talking about. If he is talking about community based self–government, this program had gone on for about eight or nine years before we arrived back in government. If he is not, he will have to clarify it later.

As far as what Reform is doing here today, I have this reflection. The Reform Party does not care about the 1760 Murray treaty or the Hurons, the Cree, the Ojibway, or Treaty 6. What Reform wants to do is to go to its last issue in B.C. and disrupt the B.C treaty process. That is Reform's agenda.

We have spent the better part of a year and one–half getting 120 First Nations to the table. That is something the Reform could never do in the millennium. They are negotiating and we are committed to the B.C. treaty process, no matter what the Reform members do or how disruptive they are.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is very interesting that the hon. member knows the Reform agenda. Perhaps this question might help him out a little bit.

Since 1991, $4.6 million has been granted to the Siksika first nation in Alberta to negotiate a self–government agreement. We now learn from this document that the Siksika dropped out of the process so it could pursue negotiations from a direction beyond

the mandate of current federal policy. In fact, we now learn there is no federal policy, so is it any wonder it dropped out.

Can the minister tell the House if there is any recourse to recoup the $4.6 million blunder?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, by way of background, in Alberta where the Siksika are, the treaty is sacred. They say it is sacred and they do not feel we have fulfilled the spirit and intent of the treaty.

Chief Strater Crowfoot is one of the pre–eminent chiefs in this country. He has had a difficult time with his first nation. The difficulty is that he wants to establish trust with the federal government. We will work with him and hope that he gets back into the system.

Rather than saying that Strater Crowfoot and the Siksika are temporarily out of the process, I want to go back to what the Minister of Justice said when members of the House voted for gun control. Forty First Nations are still in the process and still working toward completion.

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SMALL BUSINESS

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, my question is for the Minister of Industry.

This government has always supported small business and it is the government's belief that small business is the key to continued prosperity and the creation of employment. Will the minister outline for us some of the government's current plans and actions to assist small business to grow and prosper?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is nice to hear a question with a preamble I agree with.

First I would like to acknowledge the excellent work of the Standing Committee on Industry and members of the House of Commons who contributed to the work on small business. As well there are the committees chaired by Phil O'Brien and Brien Gray. They did excellent work in advising the government on small business.

• (1500)

I would like to mention that reform of the Federal Business Development Bank mandate and lending authorities is coming soon. We have extended and increased the limit under the Small Businesses Loans Act. We have maintained the small business deduction and the capital gains exemption for small business. We have increased the funding for CANARIE, in its efforts to bring the small business community on to the information highway. We have increased funding for tourism promotion, which is going to help small business across Canada. We have seen improvements in the—

The Speaker: Order, please.

The final question: the hon. member for Winnipeg Transcona.

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INFECTIOUS DISEASES PROTOCOL

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the government.

As the government knows, the international firefighters are having their convention in town, and they are very frustrated by the lack of progress with respect to the setting up of an infectious diseases protocol. There is wide support for this protocol in the House, and I would like to ask whoever is speaking on behalf of the government on this issue today why there has not been progress. When will there be progress? Will the government commit to bringing in this protocol before the end of the year?

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, the hon. member should know that this government supports that process very much. It is very concerned with the health and protection of frontline workers such as firefighters.

As a result, and because of that commitment, the government has assisted firefighters in setting up a meeting in January of all the stakeholders to discuss this issue. That will be followed up with a meeting in June.

The government also has protocols on the agenda for the ministers of health conference. Setting up protocols is in the provincial jurisdiction. It does not have to do with hospitals.

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PRESENCE IN THE GALLERY

The Speaker: My colleagues, I would like to draw to your attention today the presence in the gallery of two laureates for the Nobel prize in chemistry: Dr. Gerhard Herzberg in 1971, and Dr. Michael Smith in 1993.

Some hon. members: Hear, hear.

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PRIVILEGE

PRINTING

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I appreciate the opportunity to address a matter of privilege today.

As you know, Mr. Speaker, a question of privilege is raised when an individual member of this Chamber feels that something has occurred that infringes upon the ability of that member of Parliament to do his or her job.

A matter of privilege should be raised at the earliest opportunity, and just this morning I received a letter that has prompted me to rise today on this matter.

• (1505)

The point I wanted to make is prefaced by comments concerning a recent Board of Internal Economy decision relating to the production of minutes for committees. I feel that the Board of Internal Economy provided us with extra support when it decided that the minutes of committees could be transferred electronically. I supported and I do support the decision by the Board of Internal Economy that allowed us to have quicker access to committee minutes via the computer process.

However, the printing branch of the House of Commons has interpreted a decision of the Board of Internal Economy in a way that I believe jeopardizes my ability to do my job well. That decision is as follows. As a result of the minutes not being printed by the House of Commons any more and simply put on to electronic transfer, individual members of Parliament such as myself have to print off the minutes from our computer in order to read them, review them, have them handy, carry them on an airplane and that sort of thing. The minutes are no longer available from the House of Commons committees branch or printed anywhere.

I have a number of constituents upon whom I rely for advice in helping me to understand certain pieces of legislation, certain bills and certain matters before the House. When committees meet to study those issues I have always had minutes of the committee available to circulate among the people within my constituency upon whom I rely for advice to do my job.

Today, on a request of mine from Thursday of last week, the printing unit of the House of Commons refused to print copies of minutes reproduced off my computer so that I could then circulate that to members of my constituency who would provide me with the advice I need to help me do my job. I need the feedback from the people in my constituency on the work that is going on here in Ottawa to ensure that the work I do here represents their interests and also ensures that I understand completely the impact of government legislation, programs, and policies on the people of my own constituency as well as across Canada.

Earlier this year, as you will recall, Mr. Speaker, because we communicated on this matter, on the firearms legislation I had asked if I could print copies of the firearms legislation to distribute in my constituency. I was informed that was not an option for me to consider.

The Minister of Justice has now appeared before the House of Commons committee on justice studying Bill C–68, the bill that I could not print in order to circulate to my constituency. I wanted to reproduce the minutes of the minister's statement to the committee, and the printing branch of the House of Commons told me that I could not have anything out of committees printed. As a result, I cannot service the people in my constituency who want to know what the government is saying on these issues.

The Speaker: With all respect to the point the member is making on a point of privilege, I have a little difficulty with agreeing, at least in this respect, that it would be a point of privilege. However, might I suggest to the hon. member that if he could draft a note to the Board of Internal Economy perhaps they could get an answer back to the hon. member. If at that point that is not acceptable, then we might pursue this not as a point of privilege but perhaps as a point of order.

I wonder if the hon. member might consider doing this in the interest of getting an answer as quickly as we can for him in this particular dilemma.

Mr. Taylor: Mr. Speaker, allow me just one minute to respond to your comment and conclude my remarks.

When I requested the attention of the Board of Internal Economy on the printing of the firearms legislation itself, that process served as a delay. I ended up not being able to respond to my constituents who had an interest for more than two weeks because of the process of the Board of Internal Economy.

• (1510)

Although I will pursue the matter of a letter to the board, because I think the printing branch is not interpreting the board's decision correctly, more importantly, I do think that my privileges have been breached here, because I am not able to do my job if I cannot communicate the work of this Chamber to the people I represent. That is a breach of my privileges, and I want that considered, despite what the Board of Internal Economy does.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I just want to very briefly submit that not being able to get an unlimited amount of copies of anything does not constitute a point of privilege.

Second, I understand that the request in question was for 150 copies of a particular document produced by a committee. Even in the days when those were produced by the House itself, those were not quantities usually available to members of Parliament.

I think, Mr. Speaker, that your suggestion that this matter be brought before the board as a request from the hon. member is a good one, notwithstanding the fact that the quantities sought, if they were given to all members, would in fact negate any saving we have been trying to attempt to achieve with the board over the last number of months through our deliberations.

The Speaker: If we would agree, I think we will proceed in this fashion.

We have the spokesperson for the Board of Internal Economy saying that this will be taken up at the earliest possible time. We have the hon. member for The Battlefords—Meadow Lake saying that he will indeed draft a proposal or a letter questioning

the process and asking for clarification. At this point, I wonder if the hon. members would hold this in abeyance.

I am well aware of what the hon. member for The Battlefords—Meadow Lake said with regard to his privileges. Of course I will take that all into consideration. If I feel it is necessary, I will get back to the House with a decision at that time.

Is this on the same point?

Mr. Taylor: Yes, Mr. Speaker.

The Speaker: I gave the hon. member a minute and he was to conclude. I would hope that in a few seconds he would be able to wrap this up.

Mr. Taylor: Yes, I can, Mr. Speaker.

I must comment on two points the hon. whip made with regard to what has happened in the past. He talked about requests for unlimited copies. I think the House is aware there are limitations on printing, that we all know those limitations and we all live within those limitations. That is not a problem. We are not asking for unlimited access to printing.

Second, the member said this has not occurred in the past. I have constituents who have received printed copies of committee minutes from me for the past six years. This has not been a problem in the past for me.

The Speaker: I thank the hon. member and I will close the debate at this point.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—CANADA SOCIAL TRANSFER

The House resumed consideration of the motion and the amendment.

The Acting Speaker (Mrs. Maheu): According to my notes, the hon. member for Algoma has five minutes remaining. The hon. member for Algoma.

Mr. Brent St. Denis (Algoma, Lib.): Madam Speaker, just before we broke off for question period I briefly made the point that even though Canadians in vast numbers approved of the recent federal budget, we have in the media almost every day attempts by the NDP government in Ontario to use the budget as some kind of a lightning rod in a desperate hope to win the Ontario election. We also see the Bloc Quebecois attempt to use the budget to further their own ill–founded cause. In spite of Canadian support we see these attempts.

• (1515)

The Ontario NDP failed to recognize that a recent poll indicated that some 72 per cent of Ontario voters supported the federal budget. It is putting out its own numbers which are a twisting of the facts. The Ontario NDP claims that the federal budget, including the Canadian health and social transfer initiative, represents a cut of something like 54 per cent to Ontario even though Ontario has 38 per cent of the population.

This is simply not the case. Even though Ontario has 38 per cent of the population, the actual budget impact on Ontario is something like 35 per cent. The Ontario NDP has attempted to include the equalization payments.

Certainly the NDP in Ontario would not be against the better off provinces helping those provinces which are less well off. In fact, the transfers to Ontario under the Canada health and social transfer represent only 2 per cent of the provincial revenues forecast for the year 1996–97. The treasurer for Ontario has admitted that.

Recently the NDP has put out numerous documents in an attempt to use the federal budget to further its election cause in Ontario but this strategy will fail. The number of phone calls I received after the budget against that budget were very few in number, barely a handful. Most people I talk to are very supportive of the budget.

The central theme of the Bloc's motion suggests that the federal government intends to impose new national standards on the provinces. In fact the federal government is providing an opportunity while at the same time it is taking modest measures to rein in federal expenditures.

The case of Ontario again is typical for the provinces. The cut that the federal government is making to its own programs is greater than the cut in transfers to provinces.

The Bloc motion suggests that the federal government is going to impose new standards on the provinces. Canadians want standards. They have already accepted and want to keep the standards that have been established for many years in the health care area. I repeatedly hear from my constituents that they would like national standards in post–secondary education. These will not be imposed on the provinces.

The Minister of Finance and the Minister of Human Resources Development have stated that any new standards will be created in consultation with the provinces. Recent polls have indicated that Canadians want to see a strong set of national standards in all areas of health, social services and post–secondary education. I support that but this will not be imposed on the provinces by the federal government.

What we see is an attempt by the NDP in Ontario and the Bloc Quebecois, in the absence of their own constructive agenda, to attempt to use the federal budget as a means to further their own cause. I suggest that this is doomed to fail.

I had briefly mentioned before question period that the Canadian Federation of Students had made a presentation to the finance committee this morning. One of the recommendations of the federation is that Bill C–76 be amended to compel the Minister of Human Resources Development to invite all stakeholders affected by the Canadian health and social transfer to participate in developing a set of shared principles and objectives for it. This is the kind of positive thinking and leadership hoped for from all quarters. I commend the Canadian Federation of Students for that.

• (1520)

In conclusion, the agenda of the Bloc is obvious. In Ontario, the agenda of the NDP is obvious. We look forward to the demise of those agendas in the months ahead.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, my colleague says that the government does not intend to create new national standards, whereas Bill C–76 refers to new national standards that will be implemented only "where appropriate". Does it mean that a consensus from the provinces will be needed to implement these new standards?

I find it a little strange that we are talking about new national standards when negotiations with the different provinces have not even taken place. It seems to me that, when we want to establish new standards, we first reach a consensus with the provinces and then implement them. We are currently doing the opposite. We are putting the cart before the horse.

So, I would simply ask him this question: What does he think about Bill C–76, which does not provide for a consensus with the provinces before implementing the new act? We should negotiate first.

[*English*]

Mr. St. Denis: Madam Speaker, I thank my colleague for the question.

The member is attempting to suggest that the federal government is putting the cart before the horse. What we see in this motion is an attempt to detach the cart from the horse.

If the hon. member would re–read the budget reference to national standards it is quite clear that there is no attempt or plan to impose standards. Those standards which exist now in the area of health care are fixed. There is no negotiation and no debate of those standards.

However, when the suggestion is made in the budget documents that the provinces, through the Canada health and social transfer, will have more flexibility, how can that be interpreted in any way except that there will be more flexibility, in concert with the provinces' national standards in the area of social transfer and possibly in post–secondary education. That will be looked at in co–operation with the provinces. There is no hint whatsoever of the imposition of standards.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, when the government dumps some responsibilities on to the provinces without also sending them the money to face these responsibilities, there is a huge problem. We know that there are 800,000 unemployed people and welfare recipients in Quebec. In fact, there are 800,000 welfare recipients alone. My riding of Matapédia—Matane alone accounts for almost 40 per cent of them. That is totally unacceptable. My question is: Unless my colleague is able to accomplish some great miracle, how can the government offload some responsibilities while, at the same time, tightening the belt?

[*English*]

Mr. St. Denis: Madam Speaker, I thank the member for the question. The fact remains that federal money is being transferred to Quebec and to all the other provinces and territories.

The federal government, by and large, has no regime of standards with its transfers with the exception of health care, but it is transferring vast sums of money. To me it is not unreasonable to negotiate with the provinces standards in areas other than health care. I believe that goes with the responsibility of transferring funds to the provinces.

• (1525)

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, I am confused. I am confused by the motion because it talks about national standards as being things which are not desirable to Her Majesty's opposition. Yet last Thursday, on opposition day, the health critic for the opposition party, Mr. Daviault said:

[*Translation*]

"In Quebec we have no trouble with the five criteria. As far as we are concerned, they represent a minimum consensus".

[*English*]

The other health critic, Mrs. Picard, said: "We believe in the Canada Health Act principles". Philippe Paré in the debate said: "I think there is not one Canadian or Quebecer who questions the importance—

[*Translation*]

Mr. Pomerleau: I think, Madam Speaker, that members cannot be referred to by name in the House, and I would urge my hon. colleague to remember this.

[*English*]

The Acting Speaker (Mrs. Maheu): We do not use the names of members of Parliament in debate.

Ms. Fry: Madam Speaker, I apologise.

Another member of the opposition party said: "I think that there is not one Canadian or Quebecer who questions the importance and value of the five principles set out in the Canada Health Act".

The hon. critic again said that the federal government should uphold the five principles. Maybe I am not confused, maybe members of the opposition are confused.

The five principles of the Canada Health Act embody the whole concept of what is most important to Canadians. What Canadians constantly use to define themselves as a people is Canadian medicare. It is an example of how federal principles can act in partnership with provincial governments, which administer the program, to make things better. The Canada Health Act enhances medicare. It continues to tell us who we are as Canadians. It binds us together in terms of our values, in terms of equity, in terms of fairness and in terms of compassion.

In 1984 when the Canada Health Act was introduced it was unanimously agreed on by all parties in the House.

It makes sense. The Canada Health Act binds the country together while at the same time it gives the regions the freedom to be able to administer and decide with flexibility what it is they require in their region. I would like to use the Canada Health Act as a very good example of how we can have national standards, enshrine them in legislation and yet give freedom to the provinces to administer that act. It has worked extremely well.

National principles tell us that we have an objective which we are all working toward. At the same time we allow the provinces to decide how they will meet those objectives, based on things such as their economy, the needs of their people, geographic and demographic differences. It gives the provinces freedom but at the same time it holds the country together.

We should look again at what the Canada Health Act has given to us. We are one of the few countries in the world that enjoys a high standard of living, the best quality of life. The GATT, when it looked at the measurement of outcome, which is infant mortality, we rank second or third in the world in terms of those measures and those outcomes. Obviously national standards legislated with provincial jurisdiction to administer has worked. Canadian medicare is an example of how well it works and how well it can give us flexibility at a time when global competitiveness is what we are talking about, when Canada needs to be competitive with the rest of the world.

• (1530)

It makes sense to me that the federal government would transfer money to the provinces to administer other aspects of social programs, post–secondary education and social assistance, in the same way, looking toward a national objective that could be competitiveness.

The human resource will be the resource of the 21st century. Canada's medicare has enhanced our human resource potential. It has given us a competitive edge in terms of the fact that healthy people work. The less sick days, the less time off work, which makes any business profitable and give us an economic and competitive edge.

If we negotiated with the provinces for a set of national standards for post–secondary education and training, we would enhance the ability of the country to be competitive and to have trained people able to compete with the rest of the world.

This makes sense to me. I started off by saying that I was confused. I end by saying that this is not the real question. It is a political and hidden agenda by a group that does not really want to do anything but destroy the country and fragment what it has meant.

[*Translation*]

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Madam Speaker, I was very happy to hear the comments made by the hon. member for Vancouver Centre, except for her conclusion that the denunciation by the official opposition of the federal government's interference in areas of provincial jurisdiction is politically motivated and does not meet any of the population's concerns. Her speech also suggests that the Bloc Quebecois should willingly agree to let the federal government interfere, as I said earlier, in areas of provincial jurisdiction.

I will give her an example and I would like her to give me her opinion on this. In Quebec, there is a consensus among all the stakeholders, that is, the political parties, the unions and the employers—where sovereignists are few and far between—with regard to manpower training, which is in fact an extension of the educational jurisdiction. There is a general consensus to call for the recognition of Quebec's exclusive jurisdiction in this area.

The federal government, your government, continues to reject this demand, which, I repeat, has nothing to do with the constitutional options of political parties but which represents a consensus. This is an outright rejection by the federal government. The same goes for all other areas of jurisdiction. That is why we oppose federal government interference. Again, we are saying that the federal government should withdraw, transfer to the provinces the tax points corresponding to these expenditures and let them administer these programs in the best interest of their people. I would like to hear what my colleague has to say about this.

[*English*]

Ms. Fry: Madam Speaker, the hon. member suggested that he does not understand why I would say this is a political agenda. It flies in the face of common sense. That is why I say there must be another agenda.

Surely we are talking about creating a set of principles. As I said earlier, principles give us a national objective. We are talking about making Canada a competitive country. Nowhere else do I see the ability to pull together as a country, to cross interprovincial barriers. Then we could have a common principle of training and an agenda saying what we aspire to as a country. At the same time we could give more autonomy to the provinces so they could develop appropriate programs and appropriate ways of dealing with their provincial and regional needs.

• (1535)

I do not understand what the hon. member has a problem with unless, as I said before, the problem is purely a political one; unless, as I also said before, we want to balkanize the country into 10 little provinces, 10 little mini–countries and 2 little mini–places in the north that we can call whatever we choose to call them.

Is that what the hon. member aspires to? What he is saying does not make sense to me.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, this motion tabled this morning by the Leader of the Official Opposition is the kind of motion which would bother the people across the way, as it makes a major amendment to the budget which, as it stands, literally spells disaster for Quebec.

The measures contained in the budget, especially for the next three years, does neither Canadians nor Quebecers any good.

This budget is nothing but smoke and mirrors, the effects of which we will see, of course, in two or three years. The Minister of Finance claims this is how Canadian federalism can be renewed. I think that he is going about it the wrong way. One thing is sure in all this: Quebec must get out of this system on the double. This government does not have the courage to announce before the referendum the specific measures hiding behind this budget. It takes advantage of the situation and better enjoy it while it can because I suggest this is the last year that a government which does nothing good for Quebec will debate to help itself to $29 billion of Quebec taxpayers hard–earned money year after year after year.

Once again, the official opposition is offering the Liberal government an opportunity to correct this unacceptable situation, a situation caused by one of their own, namely the Minister of Finance, who should really be called minister of family trusts or minister of large corporations.

The Minister of Finance expects this whole budget charade to climax after the referendum. Unfortunately for him, there will be no time for his scenario to come to a conclusion because, after the referendum, Quebec will be a sovereign state.

Between 1977 and 1994, Quebec has seen its federal transfer payments for health, education and welfare drop from 47 per cent to 37 per cent, as Liberal and Conservative governments succeeded one another in this place, passing the puck back and forth but essentially pursuing the same policies. This year again, the Liberal government is continuing the work of the Conservatives by reducing social transfers by up to 28 per cent. This translate into a shortfall of nearly $2 billion for the Government of Quebec. That is unacceptable and wrong.

In 1983–84, federal transfers accounted for 29 per cent of Quebec's budget revenues. In 1997–98, they will account for a meagre 12 per cent.

• (1540)

Although several initiatives included in the budget provide for a withdrawal of federal financial support, the federal government will interfere even more in the areas of health, post–secondary education and social assistance which, as you know, Madam Speaker, come under exclusive provincial jurisdiction. This is a shame.

Once again, the cuts announced in the recent budget will directly hit the poor. As is customary for the Liberals, the budget measures will not affect the well–to–do, because this would harm the Liberals' good financial relations. However, these measures will affect those who barely have enough to survive, and I mean survive, not live.

Quebec's finance minister, Jean Campeau, estimates that the cuts in transfers to the provinces will result in the federal contribution to social programs going down from 37.8 per cent to 28.5 per cent, over a two year period, that is in 1997 and 1998. The federal government just keeps offloading on to the provinces.

Last week, it was also revealed by the Canadian Council on Social Development that 17.6 per cent of Quebec families live below the poverty line. That rate is the highest in the country. This is a concrete result of a sick federalism which simply does not want to evolve. Also last week, we learned that 800,000 Quebecers have to rely on social assistance. Again, this is a consequence of federalism.

Premier Parizeau himself referred to that all time record as a national catastrophe. Why is that? It is because this government did not fulfil its red book commitment to create jobs. During the Liberal convention held last weekend, the Prime Minister even had the nerve to say that unemployment should be everyone's priority. However, with the red book, with so many promises, including some by the Minister of Finance, absolutely nothing is being done. No concrete measure was announced in the budget to put Canadians back to work.

Even the labour minister does all sorts of things, except find stable and lasting ways to allow Canadians to work without losing their dignity in the process. In fact, the minister's first action here was to pounce on workers. If the government wants, once and for all, to tackle the issues of duplication and unemployment, it should immediately withdraw from all areas

which come under provincial jurisdiction and give to the provinces the federal taxes representing the equivalent amounts. This is a simple, easy and efficient way of doing it.

Madam Speaker, since my time is up, I will conclude by saying that the electoral platform of this government included a commitment to put Canadians back to work. After 18 months in office, it is now obvious that the government is unable to fulfil that promise. Consequently, it should leave that responsibility to governments which are competent, which are close to the public and which can take action. I am referring of course to the provincial governments, including the Quebec government.

• (1545)

I ask all the members of this House to denounce the will of the federal government to restrict the provinces to the role of mere advisers by imposing on them new national standards for social programs.

Our constituents sent us here to protect their interests. Let us not disappoint them. Let us act, in all conscience, to ensure their well–being. Let us say no to this offloading of $7 billion on to the provinces.

[*English*]

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, the official opposition motion before us, with all respect, distorts the intent of the federal government's position as it relates to the Canada health and social transfer program.

It has been known from the beginning from the proclamations of the Minister of Finance and the Minister for Human Resources Development that this new program, the details of which will be negotiated with the provinces, is aimed at giving provinces more flexibility to deliver on areas of exclusive jurisdiction, in the areas of health, post–secondary education and social assistance.

The government has said it does not mean a free for all. What the Bloc fails to recognize is that three out of every four Canadians, according to a poll last year, said they like national social programs.

When we speak of national social programs they have to be national in scope. If they are national in scope, it follows the national government has to have a say.

The new program is also aimed at ensuring all provincial governments acknowledge and affirm the importance of treating all Canadians equitably, of ensuring citizens from coast to coast have equal opportunity of access to the same standard of living, to the same opportunities in education for youth, to the same levels of support for the poor, to the same quality of care in health for the sick.

The new federal transfer program clearly recognizes the exclusive jurisdiction of provinces. What the Bloc has failed to recognize and refuses altogether to acknowledge is the unity and equality of all Canada's citizens.

The new program is not about imposing new standards and is not an arbitrary one. It is about affirming our national commitment to the five principles of medicare to which all Canadians subscribe. We know that. It is about reaffirming our national commitment to give our youth the best type of education and training. It is about reaffirming our national commitment to assisting the poor who have become under privileged beyond their control wherever they come from.

Do the member and his party want one class of poor in one province and another class of poor in other provinces? Do the member and his party want one class of education for the rich and one for the poor? Do the member and his party want medicare to be destroyed? Perhaps the ultimate question is do the member and his party not want one Canada for all?

[*Translation*]

The Acting Speaker (Mrs. Maheu): I would like to remind members of the official opposition that the period provided for questions or comments is five minutes.

I recognize the hon. member for Chicoutimi, if he wants to respond. He still has two minutes left.

Mr. Fillion: Madam Speaker, of course the official opposition does not need the advice of anybody in this House. In his comment, the member said that he did not want to create categories of people who are more educated or less educated than others. Only the provinces can give these kinds of assurances to their people and guarantee them that there will not be different categories within the system. Everybody should clean up their own backyard.

• (1550)

The Quebec Liberal Party wants a decentralized federalism, it wants the federal government to give the provinces, particularly Quebec, all the tools they need to govern themselves, whereas, in this House, members of the Liberal government are trying to stop progress in its tracks. I wonder who in this House wants to create different categories. The answer is simple: it is the members opposite with a federalism that they are not even willing to renew.

Mrs. Christiane Gagnon (Quebec, BQ): Madam Speaker, I rise in this House to strongly support the motion put forward by the leader of the official opposition, on behalf of my constituents and all those who will be affected by this bill, because these

are the people who will fall victim to the questionable schemes of the current government.

In his motion, our leader denounces the will of the federal government to restrict the provinces to the role of mere consultants by imposing on them new national standards for all social programs. He also denounces the interference of the federal government in the health, post–secondary education and social assistance areas.

Federal interference in these areas is not just another Constitutional issue, because it will have very real consequences on the daily lives of our constituents. Let us examine how this will come about.

Bill C–76 is the statutory instrument the government intends to use to implement its budget. So, it is a very important piece of legislation even though it looks daunting at first glance. When you analyze it, you realize that it can have a tremendous impact on programs. This year, however, the government had quite a surprise in store for us. It slipped into Bill C–76 some words which will have significant consequences on Quebec and on the rest of the provinces.

For example, the part concerning the Canada health and social transfer deals not only with health and social assistance, but also with health, post–secondary education, social assistance and social services. This is important. The federal government is interfering in areas which, as you all know, come mostly under provincial jurisdiction, as defined in the Constitution Act, 1867. The federal government must have a reason to act this way.

When you read the other provisions found in this bill, you realize that this type of interference is pernicious. It allows the current government to control provincial activities and programs. If a province implements a policy or a program the federal government does not agree with, parts, or all, of its subsidies will be cut. This is a disgrace, because, as I said before, all the areas affected by this bill come under provincial and not federal jurisdiction.

Under this bill, the government will also have the right to determine what represents a good program. That is right, to make things a little worse, the federal government will be able to decide, all by itself, what is a good program that deserves to be financially supported and what is a bad program that deserves to be condemned.

I remind the House that we are talking about a whole set of programs—education, social assistance, social services and health—which directly concern the public. We might as well abolish provincial governments and let the federal run everything.

Let me remind the House and my constituents that the subsidies about to be cut come from tax revenues and that these revenues come from the taxpayers who live in the provinces.

• (1555)

Let us look at the strong possibility that the federal government will not like the programs that the Quebec government puts in place. In the current scenario, the outcome is very simple. The federal government will inform Quebec, and if the province does not get in line, deciding, on the contrary, to keep its programs, Ottawa will cut its funding. This money will have come from the pockets of Quebecers, but would be used to fund other provinces' programs because the patriarchal federal government will have decided to punish the prodigal son, Quebec.

Quebecers want nothing to do with a wholesale delegation of powers to Ottawa. At the very least, the federal government should respect the distinct character of the Quebecois people. On this issue, 50,000 witnesses who appeared before the commissions on the future of Quebec requested more autonomy for Quebec. In concrete terms, this federal invasion is already damaging for Quebecers; if Bill C–76 is passed, the situation will be even worse.

In my riding, 25 per cent of all families are headed by single parents. And 79 per cent of the population in my riding lives in rental housing, and three quarters of these rental units were built before 1960. Of these households, 38 per cent sink over 30 per cent of their income into housing costs. In my riding, 29 per cent of the families are considered to have low incomes. In the downtown core, one person in three lives below the poverty line. The life expectancy of people living at the foot of the Côte d'Abraham is 10 years shorter.

That is reality according to taxpayers, some taxpayers in my riding. These people need assistance programs: employment, housing and daycare assistance, income supplements. The taxpayers in my riding will be taken hostage, despite themselves, by a government which has set its sights on job training and employment assistance programs which only confuse and discourage the unemployed and cost taxpayers a fortune.

Just think of all of the educational programs which interfere with the ministère de l'éducation's mandate. They are legion and, above all, cost the taxpayers of Quebec a lot of money.

Where did this obsession with controlling everything come from? Does Ottawa believe that Quebec is unable to take care of its own affairs and its population? If so, it should be said loud and clear: it will get a response from the population.

In closing, I would like to say to the members of this government: "Hands off, you ultra–centralists. Let the provincial governments, which know their populations and their needs better than you, handle their own affairs. Until the whole issue is settled once and for all, you had better listen to Quebec".

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I listened very attentively to the hon. member's speech. While I do not question the sincerity with which she spoke, I do question her understanding of some of the essential elements associated with block transfers to the provinces.

I am quite surprised she would be against this measure taken by the government because it essentially addresses some of the concerns she cited in her speech.

I will be extremely specific on this issue because sometimes facts, figures and proper statistics are missing in debates in the House of Commons, particularly when they originate from the opposition.

As a result of the new transfer we are able to support programs like APPORT. Because of the restrictive nature of the Canada assistance plan, prior to this transfer we were not able to do that.

SUPRET, a work income supplement that preceded APPORT, was rejected under CAP. Now because of the new arrangement with the provinces that could be supported. The Quebec sales tax refund and various social services provided in schools were submitted for CAP cost sharing during the 1970s. These were rejected because they did not meet the CAP definition of welfare services. These are just some of the examples.

• (1600)

The hon. member must understand that by having the Canada social and health transfer we are responding to the call by provincial governments to build in the type of flexibility that speaks to co–operative federalism, something the hon. member should reflect on.

Has the hon. member taken the time to clearly look at all the issues, at all the programs rejected prior to the establishment of the Canada social and health transfer? Will she reconsider her position and applaud the government for this excellent initiative?

[*Translation*]

Mrs. Gagnon (Québec): Madam Speaker, I see the hon. member did not quite understand what I meant. If I misunderstood, then everyone in this House misunderstood.

When I look at the provisions in this bill, they propose a certain amount of flexibility but then go on to say that the federal government may do such and such for the purposes of "maintaining national standards, where appropriate—". What happens if the programs proposed by the Government of Quebec do not suit you? The bill goes on to say: "—maintaining national standards, where appropriate, in the operation of social programs". This means that if these programs do not suit the present government, it will create a national standard.

What will happen to the Canada social transfer for education, if we consider that Quebec accounts for 25 per cent when deciding whether it is appropriate or not and the remaining 75 per cent will be able to vote on national standards? What will happen in the education sector, when we realize that this area comes under the jurisdiction of the Government of Quebec and we have a francophone majority in Quebec, while you constitute an anglophone majority in Canada? National standards might not be appropriate to the education system in Quebec.

I realize that the parliamentary secretary is exercising his own judgment in this debate, but I do not think he has the requisite sensitivity to decide which programs could be implemented in Quebec.

[*English*]

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Madam Speaker, I have a specific question on health.

Before we had national medicare there were not the five principles for it. Now we have them following the federal–provincial negotiations of the past.

Does the member agree with the preservation of universality, accessibility, portability, comprehensiveness and public non–profit administration of our health care system, and the absence of user fees and extra billing?

[*Translation*]

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member but his time has expired. The hon. member for Québec, very briefly.

Mrs. Gagnon (Québec): Madam Speaker, we are really at cross purposes, because the other side seems to confer an entirely different meaning on certain words. When you say: "We want to be flexible", well, flexibility means transferring the money and telling the provincial governments: "Do with your programs as you see fit".

You do not talk about national standards when you want the provinces to be autonomous in certain areas.

The Acting Speaker (Mrs. Maheu): Resuming debate. The Minister of Intergovernmental Affairs. If I understood correctly, you intend to share your speaking time with the hon. member for Outremont.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Madam Speaker, with the tabling of their motion today, the separatists continue their propaganda campaign.

• (1605)

The Bloc Quebecois is simply repeating a position that is contrary to fact, contrary to the budget and contrary to reality. Accordingly the government will vote against the Bloc's motion. The budget underscored our desire to give Canadians good government in Ottawa. The budget marked the start of a new era and of a new way of managing the federation that is simpler, more efficient and more mindful of the provincial governments' jurisdiction.

The budget gives the provincial governments all the manoeuvring room they require to meet the needs of their people. We took steps to reform the provincial transfers, and our action plan will lead to a system that operates better and is financially sustainable. We maintained our commitment to equalization payments—one of the pillars of Canadian federalism.

However, in 1996–97, the other major programs—the established program financing for health and post–secondary education and the Canada assistance plan—will be consolidated into a single block transfer: the Canada health and social transfer. It is the block transfer long sought by the provinces, which will enable them to be innovative to suit their priorities. We instituted this block transfer long demanded by the provinces and the members of the Bloc. Why do they oppose it now?

The new Canada social transfer combines three separate transfers into a single transfer, thus reducing administrative problems for the provinces. It ensures maximum flexibility in the design of provincial programs that suit their needs. At the same time, we increased system flexibility by reducing the conditions governing these programs to a minimum. As the Minister of Finance indicated in his speech this morning, he will be proposing amendments to Bill C–76 to the parliamentary committee.

Accordingly, clause 13(1)*(b)* will read as follows: "*(b)* In order to apply the conditions and criteria provided in the Canada Health Act with respect to public administration, comprehensiveness, universality, portability and accessibility and the provisions on extra billing and user charges".

In matters of health, it is very clear that the principles of the Canada Health Act valued by Canadians from coast to coast will have to be honoured. We often refer to these five principles, but what exactly are we talking about? Public administration means that the program must be not–for–profit and managed by a public authority; comprehensiveness means that the program must cover all essential health care services provided by hospitals and physicians; universality means that services must be available to the whole population; portability means that the program must cover all health care services provided to residents temporarily outside of the province, territory or country; accessibility means that services must be offered on an equal basis to all residents, under the same conditions, without a fee or any other constraint that might unduly limit access.

[*English*]

Within these principles provinces have the flexibility to tailor services to their population, allowing innovations such as community health centres, les CLSC, in Quebec. With flexibility, innovation and commitment costs can be kept at reasonable levels while ensuring our health care system continues to provide the level of care of which we can be proud.

[*Translation*]

The bill will be further amended to read as follows under section 13(1)(c) and 13(1)(d):

"(c) To enforce the national standard outlined in section 19 providing that no minimum residency requirements can be demanded or allowed with regards to social assistance; and

"(d) To promote common principles and objectives developed in accordance with subsection 3, concerning social programs other than the program mentioned in paragraph (b)".

• (1610)

In the area of social assistance, the only thing the federal government demands of the provinces has to do with residency. For example, a Quebecer cannot be refused social assistance in Ontario, or in any other province, because he does not meet the minimum residency requirement. Certain opposition members may be dreaming of depriving Quebecers of this freedom of movement.

The new Canada health and social transfer gives the provinces more freedom to pursue innovation and improve social programs so that they better meet the needs of their people. Because of cost–sharing and its restrictive requirements, the present Canada assistance plan prevented such innovation.

The Quebec government is a leader in the area of innovative social programs such as APPORT—Parental Wage Assistance. However, APPORT and many other innovative programs could not be funded under CAP because of the cost–sharing conditions it sets.

For example, APPORT was deemed ineligible for CAP funding because it was not means tested. Many other Quebec programs, which were not eligible to cost–sharing under CAP, could now be funded by the Canada transfer.

Let us mention, for example, the work income supplement, the Quebec sales tax rebate and the social services provided in schools, including probation services for young offenders. The Canada social transfer will now allow the provinces to test innovative ways to provide social services and assistance.

Post–secondary education, which the opposition talked about, is an area of exclusive provincial jurisdiction. You may, however, be surprised to learn that the federal government contributes 50 per cent of funding for this sector so that Canadians across the country can receive a good education. There are essentially

no conditions attached to post–secondary education, especially in Quebec, which in the past 30 years has been free to do what it wants in this sector with the money from the Canadian government.

All these proposals are aimed at enhancing our social programs. They will be discussed with the provinces and must be approved by mutual agreement before being implemented.

The Minister of Finance will therefore amend clause 13(3) to read as follows: "The Minister of Human Resources Development calls on all provincial officials to consult with one another and work together to come up with a set of common principles and objectives regarding the other social programs referred to in paragraph (1)(*d*), which could apply to the transfer".

We hope that the provinces and the members of the Bloc Quebecois will recognize and share the Liberals' concerns with regard to leadership and compassion and their desire to increase equity and efficiency. This new, more flexible formula allows for much more efficient provision of services to Canadians, without compromising quality.

That is why the introduction of this transfer in 1996–97 will be accompanied by a $2.5 billion cut in the total amount. This represents a reduction of only 1.5 per cent in Quebec's budget. In comparison, federal spending will be cut by 7.3 per cent in other sectors and 18.9 per cent in the sectors included in the program review.

• (1615)

So it is obvious that we treat social transfers to the provinces more favourably than our own expenditures.

In closing, allow me to state that the budget clearly points to a reduction in the conditions attached to social programs. If principles are established, it will be by mutual agreement. I deeply regret the fact that the opposition is giving people in Quebec such misleading information on important issues.

Mr. Gérard Asselin (Charlevoix, BQ): Madam Speaker, for the past 18 months, the federal government has been trying to explain to the House what a flexible federal government is. It has also been trying to explain what the status quo is. I think that status quo means continuing with the same thing. Also, in trying to explain what a flexible government or what the status quo is, the federal government is doing exactly what it preaches in the cuts.

During the sessions of the regional commissions, federal and provincial Liberal members did not even have the courage to come to Quebec to explain what the status quo and a flexible government were. Had they done so, they would have told us that they were getting ready to make cuts in health, education and professional training programs.

Instead of making cuts in each province, the federal government decided to become a centralizing government and to cut provincial transfers. Because of these transfer cuts, the provinces are obliged to cut and transfer some responsibilities to municipal governments and also to bear the brunt of these cuts.

I would like to remind the minister who just spoke that the Quebec government pays $28 billion in taxes to Ottawa and sends $2 billion in GST, for a total of $30 billion. Including cuts, privatizations and closures, can the minister tell us how much money Quebec receives on the $30 billion that it sends to the federal government?

Mr. Massé: Madam Speaker, first I would like to make a few comments about the regional commissions. They have now finished their work and what they have done clearly proves that we had good reason to refuse to take part in those commissions. They were, as we say in Quebec, packed with people who had already made up their mind about sovereignty and unfortunately those commissions only reflected a foregone conclusion. They were absolutely not representative of public opinion in the province and, as all the polls showed, they reached conclusions that were contradicted by the opinion of a majority of the population.

Therefore, regional commissions have clearly been a waste of money for Quebecers and that 100 per cent of Quebecers, including yours truly, have paid for commissions which reflected only forty per cent of the public opinion. This is a waste of money and the wrong way to use provincial taxpayers' money. While poverty continues to increase in Quebec, the Parti Quebecois government, supported by its brother the Bloc Quebecois, continues to waste taxpayers' money.

With regard to the second issue, transfers to provinces, I think it was clearly demonstrated in the last budget that total federal expenses will be reduced from $120 billion in 1994–95 to $114 billion in 1995–96 and $107 billion in 1996–97. The federal government is reducing its spending twice as much as it is reducing transfers to provinces.

• (1620)

The government obviously had to be downsized and the same thing should happen in Quebec. We have faced up to our responsibilities and 69 per cent of the population approved our budget. I would also like the government of Quebec to face up to its responsibilities and start answering the real needs of Quebecers.

Mr. Martin Cauchon (Outremont, Lib.): Madam Speaker, first of all, I want to thank the Minister of Intergovernmental Affairs for sharing his time with me.

Today, I realize something that, in fact, I had already realized a long time ago, that there is a policy guideline to be followed. At the beginning of this Parliament, I thought that perhaps the

official opposition would be constructive in its attitude. Unfortunately, as many other speakers said before, members of the official opposition are unable to go beyond pure political partisanship. The motion tabled today by the Leader of the Opposition is an obvious and eloquent demonstration of this fact.

Today, they are trying to speak against the Canada social transfer. I must say I am astounded. I am certainly not the least of Quebec nationalists. I worked tirelessly for decentralization, for more flexibility in the management of programs by provinces. I am proud to state in this House that the Canada social transfer is a remarkable example of decentralization.

This social transfer, basically grouping together the Canada assistance plan, post–secondary education and health, is very easy to manage. It eliminates a lot of jointly managed areas. It is a fiscally responsible system and also a system allowing provinces to gain more independence in the administration and management of their own social programs, since it gives them the means to meet the needs of their citizens.

Members speak of national standards, claiming that any national standard would penalize a province, whether it is Quebec, Ontario or any other.

I represented the Minister of Human Resources Development when we dealt with the reform. I want to tell the House that, of all those who spoke to me, no one was against the idea of a national standard. The reason is simple—people want national standards if they are established in a concerted way, in co–operation. That is what the Canada social transfer is letting us do. We establish standards together, as a team. When one believes in Canada and in a place for Quebec inside this federation, it is possible to reach a consensus as to guidelines uniting the provinces from coast to coast.

They are trying to have people believe that a national standard is a terrible monster that would be in everybody's way. In other countries and other regions, people are speaking of globalization, union, unification, whereas here we would like to confine ourselves to a certain area and to refrain from adopting standards that would allow for some liberalization, some interprovincial exchanges. We did so in matters of trade, last year.

• (1625)

That is what we are doing at the social level. We are just being open–minded, we are just showing some form of progressiveness, showing that we believe deeply in Canada and Quebec.

You know, this debate is about the Canada social transfer but we could also talk at length about the human resources investment fund created by the same budget. This fund, which meets the expectations of the provinces in every respect, will ensure that the management of training programs is decentralized to the local community level and that community–based organizations are empowered to administer training funds according to the needs of the community or the locality.

That is what federalism means to our government. That is the way of the future in terms of federalism. That is progressive federalism. Still, to achieve this form of federalism, you have to be a good player and want to be on the team.

I could go on about what our government has done to improve and decentralize the federal system. The problem is that, talk as we may about a federal system that works, we come up against a government in Quebec and, in this place, an official opposition which do not want to listen. They do not want to listen because they know that our government is a very open one. They know that, if they participate in our renewal process through administrative agreements, program changes, approaches like rethinking the role of the state, it is going to work and, if it works, ultimately, this will mean the end of their old dream of separation.

For my part, I will tell them this: Rise above strictly partisan interests and strive to look after the interests of Quebec and fight for the people of Quebec. Strive to renew the Canadian federal process. This is what we are doing.

Earlier, my colleague referred to the national commissions. It is pretty easy to figure out what Quebecers want. They want us to look after their interests by restructuring the economy, by creating jobs and, particularly, by putting an end to these constitutional debates. They want to see the economy improve and they want us to move forward.

It is shocking to see that the report tabled, which cost millions of dollars to produce, does not insist on what people said. On the contrary, it concentrates on the ultimate objective, which is Quebec's separation.

In conclusion, what we want is to go on. We want to help workers, not only in Quebec, but all across Canada. We want to continue to improve the economy. We are getting there: last year, we created 433,000 new jobs. We want to ensure tomorrow's prosperity by providing our workers with tools.

The human resources investment fund is one measure which will ensure that our workers have the necessary tools, that they get adequate training and that they are able to face tomorrow's challenges, including foreign competition on international markets. Proud Quebecers and proud Canadians think big, and this is why we made that commitment.

Mr. René Canuel (Matapédia—Matane, BQ): Madam Speaker, since my hon. colleague is talking about workers, on behalf of 250 women of my riding, I will read a few sentences for his information: "We live in a rural area where the situation keeps getting worse, especially for the last year and a half. Our villages are having problems: young people leaving, a deficient and deficit ridden economic structure, a saturated job market,

high unemployment, reduced public services and an aging population". Forty–one per cent of the families in the area are poor or very poor, whereas the poverty rate is 28 per cent for Quebec as a whole.

• (1630)

What this government lacks is a vision for society. There is absolutely nothing. There was the infrastructure program to create jobs, but we do not hear about it any more. It is coming to an end. This morning, a deputy minister came to present a forestry plan: budget cuts of 57 per cent over a three period for the Canadian Forestry Service; downsizing of 410 positions, one third of the workforce; closure of 11 regional offices. And then they pass on the bill: because there is no work, they cut unemployment benefits and the provinces are left to do the dirty work.

Those women and those men are deeply disappointed. They are disgusted. At this point, they say that we lie tothem. We are told: "You sovereignists are blocking things". Quite the contrary, we are part of the federation. Here is my question: Is there any way in this country to create jobs instead of forcing people onto social welfare, onto unemployment insurance, especially in rural areas where things are surely more difficult?

Mr. Martin Cauchon (Outremont, Lib.): Madam Speaker, I thank the hon. member for his question. First of all, he mentioned in his question that this government does not have any social vision. I will not tell you that the current government has a clear policy and an objective that we set and maintain, contrary to the official opposition, but I attended the official opposition's convention. One had to witness what happened in their workshop on separation to realize to what extent members of the official opposition are still looking, after 25 years, for some kind of social vision. Therefore we have no lesson to take from the official opposition in this matter, quite the opposite.

As to the regions, we take to heart the regional problem in Quebec and Canada. That is why our efforts have been focused on economic and job creation policies. The Minister of Industry and Trade presented a strategic plan to ease the conversion of our economy. Let us make no mistake about it. Canada's economy is restructuring just like that of the rest of the world. Tomorrow's markets will be quite different, and the emphasis will be on technology. This restructuring of the economy is now under way, and we sincerely hope it will be in the best interests of all Canadians, including Canadians who live in the outlying regions.

At the same time, the Minister of Human Resources Development is busy planning programs to help workers prepare for the challenge of high technology. We are designing programs that will be tailored to the needs of outlying regions, because Canadians have asked us to do so.

I would add, in conclusion, that we will also review the unemployment insurance program in order to meet the dire needs of Canadian workers. But there is a problem: I would ask the official opposition to move ahead, to stop talking of things that citizens are not interested in and start working with us to help and better serve the population.

• (1635)

Mr. Antoine Dubé (Lévis, BQ): Madam Speaker, I would be delighted to respond to the invitation extended by the hon. member for Outremont, but I prefer to keep my comments relevant to this debate, because today we are discussing a motion tabled by the official opposition. I think it would be very useful to recall what the motion says.

> That this House denounce the will of the federal government to restrict the provinces to the role of mere consultant by imposing on them new national standards for all social programs through the introduction of the Canada Social Transfer, which will enable the federal government to interfere even more in such areas as health, post–secondary education and social assistance, all of which come under exclusive provincial jurisdiction.

We are talking about national standards in areas under provincial jurisdiction. The Minister of Finance keeps repeating that he wants this program to be more flexible, to provide greater flexibility than before, but the fact remains that the same national standards prevail.

To illustrate my point, I will quote from Bill C–76 which implements certain provisions in the budget. In section 13, Part V, we read the following:

> —a Canada Health and Social Transfer may be provided to a province for a fiscal year for the purposes of— *(b)* maintaining the national criteria and conditions in the Canada Health Act, including those respecting public administration, comprehensiveness, universality, portability, accessibility, extra–billing and user charges; and *(c)* maintaining national standards, where appropriate, in the operation of other social programs.

I would also like to recall what was said by the Minister of Finance in his budget speech, when he explained that by combining all three programs into a single consolidated block transfer referred to as the Canada social transfer, beginning in 1996–97, the provinces, and I quote: "—will now be able to design more innovative social programs, programs that respond to the needs of people today rather than to inflexible rules. However"—and this is particularly important—"flexibility does not mean a free–for–all. There are national goals and principles we believe must still apply, and which the vast majority of Canadian support".

I was on the Standing Committee on Human Resources Development which travelled across Canada last fall and was one of the members who visited every province. I listened to the testimony of all the groups that appeared before the committee,

a total of 1,200. It is not true that everyone across Canada wants national standards for education and social programs.

In Quebec, there was a general consensus against this principle. For instance, for the second time this year, I think it was on February 2, a unanimous resolution was passed by the National Assembly. Not just the Parti Quebecois but the Liberal Party as well supported it. The resolution was moved by the leader of l'Action démocratique, who asked the federal government to withdraw from manpower training. This has been said time and time again, and the government is still trying to give the impression that it intends to be more flexible.

I may recall that Bill C–76 does not contain all the measures that are to be implemented. Other legislation was passed previously. Bill C–28, for instance, which was about financial assistance for students and was passed on June 23, 1994. What did this bill provide? It was supposed to provide for two things, basically. First of all, for appointing the appropriate authority that may designate institutions of learning that may receive financial assistance from the government. What did it do? Instead of leaving this authority with the provinces, with the Lieutenant Governor in Council as before, it decided that the Minister of Human Resources Development would determine the appropriate authority. First point.

• (1640)

Second point. There were new conditions regarding the right to withdraw with full financial compensation. In the past it was automatic. However, the bill which precedes this one, but which remains in effect with the government's national standard, provided that Quebec, or any other province wishing to take advantage of this right to withdraw, had to propose a program exactly the same as the federal program on all counts, or receive no funding. Earlier, the Minister of Intergovernmental Affairs cited a series of cases in which the Canada assistance plan did not fund programs, among others, the current PWA program in Quebec.

He listed seven or eight others and talked of the current situation, saying it would likely change with the amendments not yet officially tabled and whose legal scope was still unknown. What we are saying is that the federal government said very clearly in its budget, and in this bill, as well, that it wants to pay less and that it wants to transfer part of its deficit to the provinces, but that it wants to continue to impose conditions. This is rare. It would be normal to expect that certain conditions would be dropped. This, however, seems out of the question.

At first glance, when we reduce the expenses in the Canada social transfer and combine the three programs, if we take things literally and dropped at least 11 clauses from the bill, which contains other provisions, national standards, what would this mean for the reduction provided for in the budget? It means letting three sectors fight for the same money. This is not really acceptable. At least set guidelines and let provinces do their own thing.

Earlier, I felt like putting this to the Minister of Intergovernmental Affairs, who seemed almost to be talking about heaven. In talking about the current situation and federal flexibility, he almost seemed to be talking about heaven. Everything was fine. What is the real situation, however? For a year now, no Minister of Education in Quebec or in the other provinces has wanted to support the federal program of the Minister of Human Resources Development. No Minister of Health has participated in the forum on health. No provincial minister responsible for social assistance has wanted to take part, because they find the federal program unacceptable.

Is this flexible federalism? Is this the flexible federalism that is so fine, so positive, that none of the provincial authorities want to even take part in it? No, this is simply window dressing. As long as we have these national standards and we do not see the amendments that the Minister of Finance alluded to this morning, as long as the federal government does not withdraw entirely from areas of strictly provincial jurisdiction in health, education and social assistance and does not give the provinces the tax points that would allow them to manage their own programs, we will not be able to talk about flexible federalism.

Having another minute to go, I will talk about another situation. We talk about flexible federalism, but in actual fact there were enormous cuts which mean that 5,000 to 6,000 households more per month are currently requesting social assistance. Why? Because last year, in Quebec, on April 17 precisely, $2.5 billion were cut from unemployment insurance. The period of entitlement to benefits was reduced and that has meant 40 per cent more welfare cases in Quebec.

• (1645)

Is that going to give Canadians and Quebecers greater confidence in the flexibility of the federal government? No. I repeat, what the federal government wants is to pay less and to require more through its national standards.

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, thank you for allowing me to speak. As the hon. member for Lévis pointed out earlier, the federal government has cut transfers to the provinces while claiming this would give the provinces more flexibility to manage their own affairs.

I myself have never seen a government cut funding to the provinces while claiming that such a reduction would give them more flexibility to manage the departments in question. As the hon. member for Lévis explained, the federal government gradually increased its interference by setting national standards, which it has finally realized are excessively costly to

implement. As has been demonstrated, the federal government's accumulated debt now amounts to $600 billion.

Now that the federal government has realized that the standards it has put in place in the last 20 years cost too much, it says it will now transfer responsibility to the provinces by reducing funding. Let me give you an example. When the Quebec government decided to establish its own health care system, the federal government was not very happy about it given its strong desire to impose national standards. The federal government tried to use that opportunity to impose national standards. Quebec and another province were then adamantly opposed to federal interference in health care. However, the federal government insisted and the provinces backed down, provided that it return 50 per cent of health care expenditures.

The federal government is now contributing around 30 per cent, while the provinces must make up the remaining 70 per cent. The federal government is still aying that federal standards must be maintained. This puts the provinces, especially Quebec, in a tight spot as far as health care spending is concerned. They cannot manage health care as they see fit, because they must comply with national standards while the federal government slashes health care funding in Quebec.

That is all I wanted to tell my fellow citizens in Longueuil and throughout Quebec. I wanted to inform them that the federal government is preventing us from managing health care properly. I ask the hon. member for Lévis whether he agrees with everything I just said.

Mr. Dubé: Madam Speaker, I think that the last part of his comment reflects the extensive parliamentary experience of the hon. member for Longueuil. And I will draw from this experience to raise the following because, after all, the numerous attempts of the Conservative government should be mentioned. The member for Longueuil, now in his third term, is aware of all the Conservatives' efforts in this respect, including at the time of the Meech Lake accord. The previous Conservative government may be criticized for many things, but certainly not for not having tried to reach an agreement. The same thing in Charlottetown.

• (1650)

Quebecers are aware of the fact that, over the past 30 years, numerous attempts were made to reform the federal system. It never worked, to the point that, weary of federal inaction, a number of members of Parliament—and the hon. member for Longueuil is one of them—resigned and, with the current Leader of the Opposition, they formed a new federal party, a party focusing on the only way to change anything to anything in the coming months or year: the Quebec referendum.

In this referendum debate, faced with all these failed attempts, empty promises and window dressing about possible administrative arrangements that never materialize—or when they do materialize, it is because the federal government acted arbitrarily and unilaterally as usual—the people of Quebec will realize that they have no choice but to vote "yes" in the upcoming referendum on Quebec sovereignty.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Madam Speaker, it is important to discuss Bill C-76, because this legislation is very instructive. Indeed, it will enable those Quebecers who might still be undecided to understand the message conveyed by the current federal government.

Several attempts were made to reform federalism. Recently, some members of the Quebec Liberal Party still entertained such hopes in a document referring to a quiet adjustment. The document said that the Canadian federation must be extensively decentralized, that it must fully respect provincial jurisdiction, and that federal interference must end, particularly in Quebec.

We now have the federal government's answer to these Quebec federalists who, in spite of multiple but vain attempts, may have thought, in good faith, that they could reform the federal system. The federal government's answer, Bill C-76, seeks to allow systematic federal interference in many areas which come under provincial jurisdiction.

We had national standards in the health sector. Now, we will have similar standards for post-secondary education. Quebecers fully understand the implications of such a measure. A student loan and scholarship program was developed over a period of 25 or 30 years in Quebec. Although not perfect, that program helped several generations of students, while reflecting the vision of fairness which prevails in Quebec regarding the need to invest in education.

Meanwhile, the federal government wants to impose national standards in that sector. Last summer, social program reform gave us an idea of what this means. It means that provincial governments will have to quickly adjust to a national program which will significantly increase the indebtedness of students. In fact, the only way to avoid that will be to increase the tax burden of Quebecers if the province refuses to endorse the federal government's vision.

If I were a young Quebecer today, I would see Bill C-76 as a clear indication of things to come under the federal system. The federal government's vision is "one Canada, one nation", along with national standards and ways of doing things which will standardize the way Quebecers will be treated, students in this particular case.

Assuming they listened to the Minister of Finance this morning, when he referred to some vague proposals, how can Quebecers and Canadians from other provinces believe for one

moment that this reform is being proposed in a spirit of co–operation with the provinces?

Let me give you concrete examples. I am not going back 10, 15 or 20 years. Take the national forum on health. The federal government decided, without first ascertaining the provinces' participation, to adopt a rather disjointed approach regarding the major issue of medicare. Even this afternoon, the Standing Committee on Finance heard officials representing the National Federation of Nurses' Unions, who said that the forum does not at all meet the needs identified, nor does it solve the problems related to Canada's health care system.

• (1655)

The bottom line is that, if a business in the private sector managed the health issue, for example, like the federal government does, it would have gone bankrupt ages ago, because the government has increasingly been asking the people out there on the front, those who have to deal with the problems, workers in the health care sector, nurses, auxiliary workers, doctors and employees of community service centres to make a personal effort and to find creative ways to do more with less. But the federal government did not think it was necessary in this case to secure the co–operation of the provinces or of the people who run the daily operations. A business that worked that way in the private sector would not last a year because that approach is totally unrealistic and incapable of meeting the needs of the industry, and it would find itself in the same situation as the government now finds itself.

How has the federal government managed to keep things running this way for so many years? It has succeeded because it has borrowed from future generations. Using slightly artificial means, it financed a health care system because that was what the people wanted. But the federal government also taxed, and Claude Castonguay, who can be called the father of the current health care system in Quebec, made this point well in an article for *La Presse*. He said in that article that the federal government exerted an irresistible pressure on provincial governments to commit themselves to the principles of universality and accessibility, by offering to pay for half of the provinces' costs. But, now that the system is bankrupt, Ottawa does not propose the solution put forth by Mr. Castonguay, which is to co–operate to resolve the problem. Instead, Ottawa decided to retain only its role as referee, whereby, paradoxically, even though it has significantly reduced funding, it will still be able to impose national standards.

It will be able to treat people like the owner of an apartment building who has had a good relationship with a tenant for several years and has offered that tenant certain services, for free, which he or she could not afford, mostly because the owner had extra money sitting around. Suddenly, the owner, this endless source of funds, says: For next year, effective tomorrow morning, I am reducing my heating subsidy by 15 per cent. I am certain that you, as tenants, will all be able to find a way to continue to live comfortably under these conditions and that we will continue to get along just fine.

Faced with such a situation, the tenants, or the provinces, may well try for several years to make the necessary adjustments. But, in the mid term, it is inevitable that the federal government's choice will lead to a balkanization of our social programs. It will have exactly the opposite effect. That is because the federal government is no longer capable of providing the financial support for which it took responsibility, in an artificial manner, in the past. Today, it has offloaded the bill for its social programs, without handing over the responsibility for those programs as well. That is quite an achievement. It has decided that the provinces can make up their own minds how they want to finance these programs but at the same time, they will have to meet certain requirements that do not necessarily reflect their needs.

Briefly, Bill C–76 has killed any hope for renewed federalism. The federal government is stretched to the limit. It tried to finance these programs by borrowing money which, in turn, added to our cumulative debt, but today, it is no longer in control. It is at the mercy of international lenders, and we now find it is unable to provide adequate services. How did we get into this mess?

• (1700)

How come our system no longer makes sense? The trouble is that unlike many other countries, we did not have a chance to adjust our constitutional responsibilities to the market situation and to what is going on in the real world. This has led to the absurd situation we have today, where the federal government tables a bill that drastically changes the rules of the game without making the constitutional changes that should accompany this kind of decision.

The Acting Speaker (Mrs. Maheu): Before proceeding to questions and comments, pursuant to Standing Order 38, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Kamloops—health; the hon. member for Fraser Valley West—infrastructure; the hon. member for Mercier—unemployment insurance; the hon. member for Mackenzie—transport.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Thank you for recognizing me, Madam Speaker. I appreciate this opportunity to comment on the remarks made by my colleague, who quite aptly demonstrated that the federal government's action in areas of provincial jurisdiction is inappropriate. Earlier, the hon. member for Outremont rose in this House, offended at the thought that Bloc members could question his nationalistic sentiment. From his place, he stated loudly that he was not the least nationalistic of Liberal members, thereby suggesting that he was certainly the most nationalistic one of them.

If that is so, if the hon. member for Outremont is the most nationalistic of Liberal members, I understand why the people of Quebec voted for the Bloc Quebecois. If, by any chance, we did not attain sovereignty in Quebec, I am convinced that we would keep being reelected over and over forever, with our members whose nationalistic sentiments are as strong as his.

I would like to come back on one aspect of the speeches we have heard, which my colleague has raised. All day long, Liberal members have been telling us that the national standards that their government is about to impose on us with its Canada social transfer would deal with principles. "We will give the provinces every latitude", they said. "They will be free to do administer as they please programs which fall under their jurisdiction anyway".

If that is the case, I would like to know why we can read the following—and there was no mention of this in the discussion on principles today—at clause 37 of Bill C–76:

> In order that a province may qualify for a full cash contribution—

This must be the money.

> —referred to in section 5, the government of the province—

Among other conditions, the one listed in (*b*) reads:

> shall give recognition to the Canada Health and Social Transfer in any public documents, or in any advertising or promotional material, relating to insured health services and extended health care services in the province.

To conclude, because I want to give my colleague the time to comment, what does this mean? Does it mean that the federal government—as I said this morning, this is the "flag on the hood" syndrome—absolutely wants every document and every thing distributed to taxpayers by the provinces to bear the Canadian flag? Does it mean that every hospital bedpan will have to be marked to show federal contribution? Is this the kind of publicity they seek?

The Acting Speaker (Mrs. Maheu): I will recognize very briefly the hon. member for Kamouraska—Rivière–du–Loup.

Mr. Crête: Madam Speaker, I am fairly happy with the example raised, because, in the end, history is being rewritten. For a number of years there was a placard war between the federal and the provincial governments. This is one of the main causes of the current deficit.

To continue with the placard example, let us look at day care. In Quebec, we developed a model for day care services. With national standards, Canada–wide standards, the efficiency of the Quebec system will continually be blocked. And you want justification.

• (1705)

I think Quebecers are fed up. They want full control over their future. This is what is going to happen, and this is how Bill C–76 is so rewarding for all Quebecers.

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, thank you for the opportunity to respond to the motion before us which accuses the government of using the proposed Canada health and social transfer to damage the interests and autonomy of the provinces.

This motion and the remarks of the Leader of the Opposition in support of it are completely unfounded. Moreover, it is a gross misrepresentation of what we in the government have said and intend to do.

Had the Leader of the Opposition taken the time to read the budget, he could have easily ascertained our true intent by reading the budget plan released in February in which the Minister of Finance announced the new transfer program which the hon. member finds so troubling. In that document the Minister of Finance states that transfers to the provinces under health, CAP and PSE will be structured differently to create a system that is both fiscally sustainable, more flexible and better suited to the needs of Canadians.

This will be achieved by consolidating the three transfers into a single new block transfer called the Canada health and social transfer. Rather than using it to intrude into areas of provincial responsibility or to reduce the role of the provinces to that of mere consultants as the opposition alleges in its motion, the budget declares the exact opposite.

The budget states: "The new transfer will end the intrusiveness of cost sharing under CAP and will reduce the federal–provincial entanglement that has been a source of irritation with current cost shared transfer arrangements".

This is because federal expenditures would no longer be driven by provincial decisions as to how and to whom social assistance and social services will be provided. Provinces will no longer be subject to rules stipulating that certain expenditures are eligible for cost sharing while others are not. As a result, the provinces will be free to pursue innovative approaches to social security reform without having to worry about whether such approaches meet requirements for cost sharing. The expense to both federal and provincial governments of administering cost sharing will be eliminated.

Thus, it is clear the Canada health and social transfer will not damage the role of provinces as the hon. Leader of the Opposition suggests in his motion. There will be national standards for

the new Canada health and social transfer and the February budget sets them out quite clearly.

No change will be made to the Canada Health Act. Its principles will continue to be enforced by withholding funds if necessary. In addition, provinces will be required, as they are under the rules of the Canada assistance plan, to provide social assistance without any minimum residency requirement.

The Minister of Human Resources Development will invite all provincial governments to work together on developing through mutual consent a set of shared principles and objectives that could underline the new transfer. In this way all governments could reaffirm their commitment to the well–being of Canadians. The Minister of Health will continue to work with provincial and territorial health ministers to renew Canada's health system.

The Canada health and social transfer represents an important step forward for the provinces since it will give them the flexibility they need to develop innovative social programs that can better address the needs of their citizens. After all, it must be admitted that the current Canada assistance plan with its restrictive cost sharing requirements too often inhibited such innovation. Nowhere have the negative impacts of this legislative straitjacket been more obvious than in the hon. member's own province.

It is a sad fact that many exciting and innovative programs in Quebec have been denied funding because of the restrictive requirements contained in the rules governing the current transfer programs. For instance, APPORT is an income supplement program for low income families with children which seeks to help such parents make the transition from social assistance to the workforce. Since 1988 this program has been ineligible for cost sharing because its assessment of need does not conform to that of the transfer program.

• (1710)

Then again, many programs in the 1970s aimed at disadvantaged children in Quebec were ruled ineligible because they did not correspond to the definition of welfare services contained within the act which excludes services related to education. Similarly, probation services for young offenders are ineligible since the same definition of welfare services also excludes correctional services. The list goes on and on.

However, I should add that these problems are not restricted to Quebec. Virtually every province has at one time or other seen worthwhile projects turned down. These have included programs in such diverse areas as self–managed care, community based services, nutrition programs for children and adaptive transportation services for the disabled.

The introduction of the Canada health and social transfer will make it possible for provinces to proceed with these kinds of programs which have been excluded in the past.

As well, let me state categorically that the government has not and will not use transfer programs as a way to interfere in areas of provincial responsibility as this motion suggests. Rather the federal government seeks to involve the provinces as full partners in the very important work of developing a set of shared principles and objectives which might underlie this new transfer system.

This is why the Minister of Human Resources Development will be inviting his provincial colleagues to sit down with him to discuss ways in which we can work together in partnership to develop a common framework of objectives and approaches for the Canada health and social transfer.

Canadians of all regions are very proud of our system of social programs and they are right to be. These programs flow from the shared values of all Canadians and are the result of decades of hard work, sacrifice and dedication. This investment of time, effort and commitment has resulted in a quality of life which is regarded with envy and admiration by the rest of the world.

Let me ask this very fundamental question of those who intend to support the motion. Would this country have been better off if the federal government had not been active in transferring funds to the provinces? Think of the achievements that these transfers have helped provinces to build in the past 30 years. Look at the issue of medicare, the envy of the world; post–secondary education and colleges, one of the highest enrolment rates; the safety net, protection for the most vulnerable. These are proud records of achievement.

While funding arrangements have served Canadians well in the past, federalism is changing. Therefore our transfer programs must also change to remain relevant. There is a need for a greater flexibility in the way we provide funds to the provinces. In hindsight it is clear that some features of our current system reflect a paternalistic and prescriptive approach which is out of place in the 1990s.

Too often restrictions contained within the current system have stifled innovation by the provinces and derailed worthwhile projects before they even got started.

The new Canada health and social transfer will actually result in less intrusion by the federal government in the affairs of the provinces and not more, as the hon. member suggests. It will also result in greater flexibility.

We are taking the proper step toward building co–operative federalism. It speaks to the type of positive direction in which the government is taking the country.

[*Translation*]

The Acting Speaker (Mrs. Maheu): It being 5.15 p.m., pursuant to Standing Order 81(16), it is my duty to interrupt the proceedings and put forthwith all questions necessary to dispose of the business of supply.

Is the House ready for the question?

Some hon. members: Question.

[*English*]

The Acting Speaker (Mrs. Maheu): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed to the amendment will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 202*)

YEAS

Members

Breitkreuz (Yellowhead)
Cummins
Epp
Frazer
Gouk
Grubel
Hanrahan
Harris
Hermanson
Hill (Prince George—Peace River)
Jennings
Manning
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Silye
Speaker
Strahl
Wayne
Williams—41

Bridgman
Duncan
Forseth
Gilmour
Grey (Beaver River)
Hanger
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Johnston
Mayfield
Meredith
Morrison
Ramsay
Scott (Skeena)
Solberg
Stinson
Thompson
White (Fraser Valley West)

NAYS

Members

Adams
Althouse
Arseneault
Assadourian
Axworthy (Saskatoon—Clark's Crossing)
Bachand
Bellehumeur
Bergeron
Bertrand
Bevilacqua
Blondin-Andrew
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Cannis
Caron
Cauchon
Chan
Chrétien (Saint-Maurice)
Collenette
Comuzzi
Cowling
Culbert
Daviault
de Jong
Deshaies
Dingwall
Dromisky
Duceppe
Dumas
Easter
English
Fillion
Flis
Fry
Gagnon (Québec)
Gauthier (Roberval)
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Guimond
Harvard
Hopkins
Iftody
Jackson
Karygiannis
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Leroux (Shefford)
Loubier
MacLaren
Malhi
Manley
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Mifflin
Minna
Murphy
Nault
O'Brien
Ouellet
Paradis
Paré
Payne
Peterson
Picard (Drummond)
Pomerleau
Reed
Richardson

Allmand
Anderson
Assad
Asselin
Axworthy (Winnipeg South Centre)
Beaumier
Bellemare
Bernier (Mégantic—Compton—Stanstead)
Bethel
Blaikie
Bodnar
Bouchard
Brien
Brushett
Bélair
Bélisle
Campbell
Canuel
Catterall
Chamberlain
Chrétien (Frontenac)
Clancy
Collins
Copps
Créte
Dalphond-Guiral
Debien
de Savoye
DeVillers
Discepola
Dubé
Duhamel
Dupuy
Eggleton
Fewchuk
Finlay
Fontana
Gagliano
Gallaway
Gerrard
Godin
Graham
Grose
Guay
Harb
Hickey
Ianno
Irwin
Jacob
Keyes
Knutson
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lebel
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Lincoln
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchand
Massé
McGuire
McLellan (Edmonton Northwest)
Mercier
Milliken
Mitchell
Murray
Nunez
O'Reilly
Pagtakhan
Parrish
Patry
Peters
Phinney
Pickard (Essex—Kent)
Proud
Regan
Riis

Ringuette–Maltais	Robichaud
Rocheleau	Rompkey
Sauvageau	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Solomon
Speller	St–Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Taylor	Telegdi
Terrana	Thalheimer
Torsney	Tremblay (Rosemont)
Ur	Valeri
Vanclief	Venne
Walker	Wappel
Wells	Whelan
Young	Zed—192

PAIRED MEMBERS

Bernier (Gaspé)	Hubbard
Laurin	Lefebvre
MacAulay	Marleau
Ménard	Robillard
Rock	Tremblay (Rimouski—Témiscouata)

• (1745)

The Acting Speaker (Mrs. Maheu): I declare the amendment lost.

Mr. Volpe: Madam Speaker, I rise on a point of order. Despite my Herculean effort I was unable to be here on time. Had I been here I would have added my voice to the government side.

Mr. Rideout: Madam Speaker, I rise on a point of order. I had the same problem. I will not repeat what was just said, but had I been here I would have voted with my party.

The Acting Speaker (Mrs. Maheu): The next question is on the main motion. Is it the pleasure of the House to adopt the motion.

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

[*Translation*]

Mr. Boudria: Madam Speaker, I think you will find unanimous consent to apply the results of the vote we have just taken on the amendment to the motion now before the House, that is to say Liberal members will vote nay, including the hon. member for Eglinton—Lawrence and the hon. member for Moncton, who missed the first vote.

Mr. Duceppe: Madam Speaker, Bloc members will vote in favour of this motion.

[*English*]

Mr. Silye: Madam Speaker, Reform Party members vote nay except for those members who wish to vote otherwise.

Mr. Solomon: Madam Speaker, as whip of the NDP caucus I rise to say that New Democratic Party members present in the House today vote nay.

Mrs. Wayne: Madam Speaker, as a member of the PC party and the whip or whatever I will be voting nay.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 203*)

YEAS

Members

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Brien	Bélisle
Canuel	Caron
Chrétien (Frontenac)	Crête
Dalphond–Guiral	Daviault
Debien	de Savoye
Deshaies	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Godin
Guay	Guimond
Jacob	Lalonde
Landry	Langlois
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Marchand	Mercier
Nunez	Paré
Picard (Drummond)	Pomerleau
Rocheleau	Sauvageau
St–Laurent	Tremblay (Rosemont)
Venne—47	

NAYS

Members

Adams	Allmand
Althouse	Anderson
Arseneault	Assad
Assadourian	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Beaumier
Bellemare	Bertrand
Bethel	Bevilacqua
Blaikie	Blondin–Andrew
Bodnar	Bonin
Boudria	Breitkreuz (Yellowhead)
Bridgman	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Saint–Maurice)
Clancy	Collenette
Collins	Comuzzi

Copps	Cowling
Culbert	Cummins
de Jong	DeVillers
Dingwall	Discepola
Dromisky	Duhamel
Duncan	Dupuy
Easter	Eggleton
English	Epp
Fewchuk	Finlay
Flis	Fontana
Forseth	Frazer
Fry	Gagliano
Gallaway	Gerrard
Gilmour	Godfrey
Goodale	Gouk
Graham	Gray (Windsor West)
Grey (Beaver River)	Grose
Grubel	Guarnieri
Hanger	Hanrahan
Harb	Harper (Simcoe Centre)
Harris	Harvard
Hayes	Hermanson
Hickey	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Hopkins	Ianno
Iftody	Irwin
Jackson	Jennings
Johnston	Karygiannis
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lincoln	MacDonald
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Martin (LaSalle—Émard)	Massé
Mayfield	McClelland (Edmonton Southwest)
McCormick	McGuire
McLaughlin	McLellan (Edmonton Northwest)
McTeague	Meredith
Mifflin	Milliken
Mills (Red Deer)	Minna
Mitchell	Morrison
Murphy	Murray
Nault	O'Brien
O'Reilly	Ouellet
Pagtakhan	Paradis
Parrish	Patry
Payne	Penson
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Proud	Ramsay
Reed	Regan
Richardson	Rideout
Riis	Ringma
Ringuette-Maltais	Robichaud
Rompkey	Scott (Fredericton—York—Sunbury)
Scott (Skeena)	Serré
Shepherd	Sheridan
Silye	Solberg
Solomon	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Stinson	Strahl
Szabo	Taylor
Telegdi	Terrana
Thalheimer	Thompson
Torsney	Ur
Valeri	Vanclief
Volpe	Walker
Wappel	Wayne
Wells	Whelan
White (Fraser Valley West)	Williams
Young	Zed—188

PAIRED MEMBERS

Bernier (Gaspé)	Hubbard
Laurin	Lefebvre
MacAulay	Marleau
Ménard	Robillard
Rock	Tremblay (Rimouski—Témiscouata)

• (1750)

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare the motion negatived.

* * *

[*English*]

CODE OF CONDUCT

The House resumed from May 1 consideration of the motion and the amendment.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division on the amendment of Mr. Bélisle.

[*Translation*]

The question is on the amendment.

[*English*]

Mr. Boudria: Madam Speaker, I think you would find unanimous consent for the members who voted on the previous motion to be recorded as having voted on the amendment now before the House, with Liberal MPs voting nay.

[*Translation*]

Mr. Duceppe: Madam Speaker, Bloc members support this motion.

Mr. Silye: Madam Speaker, Reform members will vote yea except for those who wish to vote otherwise.

[*English*]

Mr. Solomon: Madam Speaker, all members of the New Democratic Party in the House of Commons vote nay on the amendment.

Mrs. Wayne: Madam Speaker, I think I am the deputy leader. I do not know what I am, but I vote nay.

(The House divided on the amendment, which was negatived on the following division:)

(Division No. 204)

YEAS

Members

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Breitkreuz (Yellowhead)	Bridgman
Brien	Bélisle
Canuel	Caron
Chrétien (Frontenac)	Crête
Cummins	Dalphond-Guiral
Daviault	Debien
de Savoye	Deshaies

Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gilmour
Gouk
Grubel
Guimond
Hanrahan
Harris
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Landry
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Manning
Mayfield
Mercier
Mills (Red Deer)
Nunez
Penson
Pomerleau
Ringma
Sauvageau
Silye
Speaker
Stinson
Thompson
Venne
Williams—87

Duceppe
Duncan
Fillion
Frazer
Gauthier (Roberval)
Godin
Grey (Beaver River)
Guay
Hanger
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Lalonde
Langlois
Lebel
Leroux (Richmond—Wolfe)
Loubier
Marchand
McClelland (Edmonton Southwest)
Meredith
Morrison
Paré
Picard (Drummond)
Ramsay
Rocheleau
Scott (Skeena)
Solberg
St-Laurent
Strahl
Tremblay (Rosemont)
White (Fraser Valley West)

NAYS

Members

Adams
Althouse
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bellemare
Bethel
Blaikie
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Chan
Clancy
Collins
Copps
Culbert
DeVillers
Discepola
Duhamel
Easter
English
Finlay
Fontana
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Iftody
Jackson
Keyes
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln

Allmand
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Beaumier
Bertrand
Bevilacqua
Blondin-Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chamberlain
Chrétien (Saint-Maurice)
Collenette
Comuzzi
Cowling
de Jong
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Flis
Fry
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Ianno
Irwin
Karygiannis
Kirkby
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
MacDonald

MacLaren
Malhi
Manley
Massé
McGuire
McLellan (Edmonton Northwest)
Mifflin
Minna
Murphy
Nault
O'Reilly
Pagtakhan
Parrish
Payne
Peterson
Pickard (Essex—Kent)
Reed
Richardson
Riis
Robichaud
Scott (Fredericton—York—Sunbury)
Shepherd
Solomon
St. Denis
Stewart (Brant)
Taylor
Terrana
Torsney
Valeri
Volpe
Wappel
Wells
Young

MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Martin (LaSalle—Émard)
McCormick
McLaughlin
McTeague
Milliken
Mitchell
Murray
O'Brien
Ouellet
Paradis
Patry
Peters
Phinney
Proud
Regan
Rideout
Ringuette-Maltais
Rompkey
Serré
Sheridan
Speller
Steckle
Szabo
Telegdi
Thalheimer
Ur
Vanclief
Walker
Wayne
Whelan
Zed—148

PAIRED MEMBERS

Bernier (Gaspé)
Laurin
MacAulay
Ménard
Rock

Hubbard
Lefebvre
Marleau
Robillard
Tremblay (Rimouski—Témiscouata)

The Acting Speaker (Mrs. Maheu): I declare the amendment negatived.

It being 5.55 p.m. the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

GRANDPARENT YEAR ACT

Mr. Julian Reed (Halton—Peel, Lib.) moved that Bill C-291, an act respecting a national year of the grandparent, be read the second time and referred to a committee.

He said: Madam Speaker, the next hour is an opportunity for the House to set aside partisan differences, to show our appreciation and to demonstrate the value of grandparents in the family unit.

Most of us have had the honour of knowing one living grandparent at one time or another. Most of us who have a family will have had the pleasure and the reassurance of having grandparents for our children.

As a very young boy and until I became an adult I had a grandfather who was a pillar of my existence. My own children had the privilege of having three living grandparents and one great–grandfather. The value they brought to our family was the same value brought to all families by grandparents.

By virtue of their more senior years, grandparents have many abilities that young parents do not have and contribute many things to the strength of the family. They show the way to young children more by example than by the things they say. They have an accumulated wisdom they pass on, which young parents do not have. Whether we call it osmosis or however it is passed on to younger people, it is done by example.

Grandparents have experience. Young people can ask them questions and they give answers based on experience, very often based on more experience than that of their parents. Naturally grandparents bring love into the family, the great common denominator that binds us together.

Grandparents express by example tolerance and teach us tolerance as children. That is particularly fitting at a time in history when the family unit seems to be virtually under attack from every corner. When grandparents are not available to provide strength and to provide enrichment, we know the results.

The grandparents of my children were of tremendous help to my wife and I as young parents with a young family. Perhaps we utilized their services more than we should have from time to time. However, I do believe that they accepted the challenges of looking after our family with grace and dignity when we needed them. It was always a pleasure and an adventure for our children to spend time with their grandparents. They helped a great deal to enrich our family and they contributed a great deal to family strength.

• (1800)

I know there is a cliché that has been in vogue for a few years, which is the phrase family values. Often family values and what they really mean get hackneyed very badly. But if ever there was an expression of family values and what that means, and certainly what that means to me, it is expressed very much through grandparents and what they mean to the family. They enrich our lives in so many ways, and we pay them honour here today.

I would be remiss if I did not pay tribute to the person who prompted me to bring this bill before the House. Her name is Bubbie Schwarz. Bubbie, as you might know, Madam Speaker, is the Jewish term of endearment for grandmother. Bubbie Schwarz is a television personality in the Toronto area who has a program for senior citizens. It was at her urging that this bill be brought before the House to declare 1995 as the year of the grandparent.

My grandparents are gone now. My grandfather passed away in 1963. But the influence he had on my life was as strong as the influence of my own father and mother. As I spent time with him, in the summers particularly, when school was out, and lived with him I was exposed to his code of conduct, his code of performance, the way he lived his life. A great deal of it rubbed off on me—at least the good parts of it did, I hope; the negative parts I created myself.

Our children had the benefit of a great–grandfather who actually lived with us for a number of years before at the age of 96 he decided he would go to western Canada and spend the rest of his years with his son. Our daughter grew up on his knee for the first eight years of her life.

We look back on our grandparents and on my children's grandparents with great fondness, with great respect, and a straight sense of the value they brought to our family. I feel badly for people who did not have that experience. Many people did not have a living grandparent in their lives and have had to be without that special kind of support they provide.

It is also fair to put on the record today the fact that because of the splitting of families and because of the divorce rate and so on, many grandparents are finding it increasingly difficult to access their own grandchildren. This is a serious mistake, because it denies the grandchildren that opportunity to receive the strength by the example they set.

• (1805)

I hope that by debating this today, as the issue of grandparents and access to their grandchildren becomes more of an issue, which it is at the present time, we will remember what our grandparents meant to us, what they mean to us, and what they should mean to their grandchildren, especially those who are involved in the break–up of a marriage where custody is given to one parent. In Canada there is no joint custody capability, and sometimes rancour, division, and bitterness cloud the break–up. Grandparents can really make a difference and add strength.

I ask the House to consider that. I realize that to speak on a subject like this probably arouses emotions in all of us, which we are not used to experiencing in a place like this. But they are important emotions. It is very important to get the message across that we support the completeness of the family and the bringing together of all the generations and making sure that they are all together. With the stresses we have on family life today, I can think of very few more important things to do in strengthening the family than to make sure that grandparents and great–grandparents and maybe some of the extended family, like great–uncles and aunts, are very much revered, honoured, and accepted as a part of the family unit. We must be aware that

when we make laws in this House those laws must reflect that respect and desire to keep the family strong and together.

It is a great honour for me to say these few words today on behalf of grandparents. I thank the House for arranging the time for this debate. It is not the most usual issue to be raised in this place, but I do consider it very important. I hope this will underline our view of the family and our view of the senior people in the family, who have done so much and continue to do so much for all of us.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, I rise in this House to address Bill C–291, which seeks to declare, throughout Canada, 1995 as the Year of the Grandparent.

As the official opposition critic on issues concerning seniors, I am very interested in this bill which would grant grandparents the status which they deserve. Grandparents develop a special bond with their grandchildren, for whom they may represent stability in a sometime fragile environment.

Many modern families are the result of break–ups. The blended family is made up of members who do not all have the same biological links between them. There is no model for this new family; every member must adjust, so as to ensure his or her integration in the new family unit.

Grandparents play a major role during the early years, as well as during the teenage years of their grandchildren.

• (1810)

They can provide emotional security and stability to their grandchildren, particularly when the parents divorce or separate. Grandparents can identify problems, but they must not take part in the debate, since such an intrusion can sometimes exacerbate the situation.

Bill C–291 finally gives recognition to older people, who are often perceived as a burden in our communities. This, in turn, often leads to social isolation, feelings of uselessness, isolation, loneliness, as well as low self–esteem.

Older people play a vital role in their grandchildren's lives. To that end, grandparents need minimum economic well–being. Financial security is essential for the elderly to maintain their independence.

Seniors represent an increasingly larger part of the overall population. It is estimated that, over the next 15 years, the number of elderly will increase by 40 per cent. The government must respect our seniors and recognize their contribution. Bill C–291 seeks to recognize that contribution. It is important that grandparents have the necessary tools to provide them with a quality of life, so that they can adequately assume their role.

Let me give you a brief outlook on how Canadian seniors use their spare time. According to a document published in 1993 by the National Advisory Council of Aging, seniors participate in the following activities. In 1986, 66 per cent of seniors between the ages of 65 and 74 went to a theatre or a restaurant once a month, while this figure was 50 per cent in the case of seniors who were 75 and over. From 40 per cent to 66 per cent of seniors purchased sports equipment and related services—for playing golf, skiing, camping, home exercising—and equipment for leisure activities, including computers, compared with 83 per cent of other Canadians.

Seniors would prefer to spend money on spectator activities like the movies, concerts and sport events, as opposed to recreational equipment for the home. However, seniors spend less than all other groups on recreational activities.

Statistics also showed that 12 per cent of seniors spent money on organized holidays, while 11 per cent of younger Canadians spent money in this way. Furthermore, 58 per cent of seniors travelled outside their community in a given month. Men 60 and over watched an average 33 hours of television per week, while women in the same age group watched an average of 36 hours.

These statistics prove that seniors are not passive and can share different types of recreation with their grandchildren. However, the Bloc Quebecois has always made it clear that the federal government is trying to reduce the deficit at the expense of the most vulnerable in our society.

According to a report by the National Advisory Council on Aging, the disposable income of seniors is broken down as follows. In 1989, the average income of single persons aged 65 or over was $16,316, while the average income of single persons under the age of 65 was $23,080. A single person is someone who lives alone or in a household where he or she is not related to the other members of that household.

In 1992, the average income of single seniors was $18,434, while that of other single persons was $25,039. Nearly 21 per cent of all seniors, in other words, 625,000, live on what are considered to be low incomes. The percentage of seniors living on low incomes is always higher than in the general population.

• (1815)

On March 9, 1994, I addressed the following question in this House to the Minister of Human Resources Development and Minster of Western Economic Diversification, and I quote: "By making alarming statements on the old age security system, is the minister preparing to hit seniors with a considerable cut in their old age security pensions?"

The Minister of Human Resources Development responded simply that he wanted to provide a stable, effective, fair and honest system for seniors, one that Canada could afford.

Bill C–291 should be seen as recognizing the role of seniors. However, I would like to point out that I find the choice of year, that is 1995, unfortunate, since the United Nations has declared 1995 a year of tolerance. Accordingly, the Bloc Quebecois obviously supports the bill, but feels that 1996 would be a more appropriate year. Furthermore, a number of months have elapsed, significantly reducing the impact of Bill C–291.

I would also like to mention that grandparents are not all seniors. Statistics also show an upswing in the birth rate among adolescents, resulting in younger and younger grandparents. In closing, I would congratulate my colleague for Halton—Peel on Bill C–291, because it recognizes the importance of grandparents throughout Canada and pays tribute to them.

[*English*]

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, it is a pleasure for me to rise in the House today to speak on Bill C–291, introduced by the hon. member for Halton—Peel.

During this past year I have spoken with many Canadian grandparents, as over a year ago now, March 25, 1994, I presented for first reading in the House my Bill C–232 relating to amending the Divorce Act to provide grandparents an automatic right to standing in the court so they could speak on behalf of their grandchildren and thereby protect the right of access of the child to his or her family.

As my bill is votable, we had many grandparents sitting in the gallery for each of the first two hours of debate to see how their members of Parliament dealt with this very serious issue. I expect that during the last hour of debate scheduled for this Thursday, May 4 we will once again see many of our seniors in the gallery.

Are grandparents still an important section of our society? Do Canadians recognize grandparents as a valuable resource, one which we as legislators should encourage and work with, respecting their years of training, skill, knowledge, experience, patience, love, understanding and their willingness to serve, help, teach and spend time with our many young Canadians, many of these children who just need someone to listen to them and care about them?

Most of us realize in our present society we have many grandparents already raising their grandchildren, not because after raising their own family they are anxious to raise another generation. Usually it is simply because they are needed and their help is asked for.

Joan Brooks, a grandmother from Toronto and a member of a grandparents' group, said: "Let the parents parent; we do not want to do their job". It is much easier for grandparents to enjoy being grandparents, visiting their families, sharing stories, guidance and love with their grandchildren.

However, life is not perfect and due to the rising divorce rate, split families, substance abuse and financial difficulties, more and more of our young children need an extra someone in their lives. It is only natural that wherever possible that person or persons should be grandparents.

In the United States there are over three million grandparents raising their grandchildren. We know this because the Americans already have protected national legislation to secure a child's right to his or her family. Consequently we were able to see some real statistics of the true state of society's needs.

Some of our Canadian citizens place a very high value on a grandparent's role in the family. One grandparent, Abnash Gill of Coquitlam, writes:

> If the tree does not have solid roots it will not provide us with healthy fruit. It does not matter how much you spray the top part, if the roots are weak they will catch disease.
>
> Our roots are grandparents. That is where we begin. It is important for children to have grandparents. It is important for parents to get along with both sides of the family.
>
> Grandparents will tell stories of their lives to their grandchildren. Children will learn much from their grandparents' life stories. There is no school teacher who could teach children that.
>
> The history strengthens the children's roots. They keep these sweet memories with them. They will remember them, and they will use them in their lives. That will be their history.

• (1820)

Ray Ali, marriage and family therapist from Winnipeg, states:

> I was having coffee with a colleague of mine and in the course of our conversation we began talking about grandparents. As he talked about his loving relationship with them, I envied him that he had grandparents who loved him. It was the same type of envy that I experienced as a child when my friends would tell me about visiting their grandparents during the weekend. Remember the Dick and Jane books when they visited their grandparents at the farm? Oh, how I envied them.
>
> Perhaps growing up without grandparents made me realize, even at a very early age, that they play an important role in our lives. I did not have anyone telling me stories about my parents nor stories about how life used to be. So I live my life secretly, envying people like my friend. He had something very special—something I never had.
>
> Fortunately the situation is different for my children because they have a special relationship with their grandparents. My children are lucky because they have both sets of grandparents. If this isn't enough they've adopted another elderly couple who are also given the special title of grandparents. My children are fortunate but they are far from being unique.

According to recent statistics 90 per cent of all children have at least one living grandparent. If this fact is reliable then it is indeed unfortunate that many children in this 90 per cent are refused access to see their grandparents, often by the custodial parent.

Statistics Canada recently published some poignant statistics on grandparenting. They report that even though the frequencies of visits decrease as children grow older, 40 per cent of adolescents over 15 see their grandparents at least once a month.

Secondly, the image that grandparents are old, fragile and a huge financial burden to society is clearly flawed. A significant number of grandparents are still working and/or volunteering their time. Approximately 40 per cent of seniors provide unpaid help to their families in the form of child care, transportation and financial support. When called upon they are often there to help. Clearly we often overlook the contributions that seniors themselves make to others.

Without question, grandparenting is as important now as in any other time period. Maybe even more so. Unlike 50 years ago, today's grandparent-grandchildren relationships often last more than 20 years. It is quite conceivable that we will spend more time in our lives being grandparents than parents thus contrary to common perceptions, grandparents can have potentially greater influence on our children than they did in years past.

Grandparents want to feel useful but we as a society have done a very poor job of tapping into this tremendous natural resource.

A recent letter writing competition in Winnipeg, 'My Grandparents are Special', gave me cause to select two letters written by two grade six students.

Rebecca Spuszak writes:

My grandparents are special because they have been married for over 50 years and showed me that love is one of the most important things we have in life. My grandparents are always there for me, willing to listen and to give me the most welcomed hug. My grandpa loves to tell his jokes over and over but they always have that loving touch. My grandma has a beautiful smile each and every day. Their home always makes me feel so warm and cosy inside. If I had just one wish it would be that everyone could have special grandparents like me. So when they need help I hope they know I'm there for them just like they are for me. I really feel blessed.

Kera Johnson writes:

My grandma is special because she understands. She helps me and so much more. My grandma loves me, she gives me love even when I shouldn't get it. She is helpful, she is understanding and most of all she is loving. Every day my grandmother spends at least seven hours of her day helping physically and mentally challenged children. That's how special my grandma is. I think that my grandma is as good as a person can get.

I would like to share part of a poem with the House today written by Chief Dan George. It gives words of advice and counsel to his grandchild. This is from a special course I used to teach on native studies.

Perhaps there will be a day
You will want to sit by my side asking for counsel
I hope I will be there
But you see, I am growing old.
There is no promise that life
Will live up to our hopes
Especially to the hopes of the aged.
So I will write of what I know
And some day our hearts will meet in these words.
If you let it happen.
You come from a shy race
Ours are the silent ways
We have always done all things
In a gentle manner
So much as the brook that avoids the solid rock
In its search for the sea and meets the deer in passing
You too must follow the path of your own race
It is steady and deep, reliable and lasting
It is you.
If you let it happen.

• (1825)

Today I have spoken on the wonder of grandparents and their positive influence and their needed assistance in Canada's future.

Bill C–291 tries to recognize grandparents. In a grandparents year we could have the ceremonies and activities to recognize them. That would be good. We should definitely also have a grandparents day so we could recognize them every year. They are the unsung heroes of Canada's society. They give everything and ask for very little in return.

Perhaps Margaret Mead said it best: "In the presence of grandparents and grandchildren the past and the future merge in the present".

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, I am delighted to speak today to Bill C–291, an act respecting a national year of the grandparent. I take the opportunity to speak on behalf of the government's commitment to Canada's grandparents.

I have not yet had the fortune of becoming a grandparent. I guess my sons have control over that and so I may never become a grandparent. I have grandparents. All of us have grandparents.

My grandmother was my mentor, a woman who was a feminist long before the word feminist was popular. She was strong, feisty and she told me that if I did not like how things were I should go in there and change them and not complain. She lived that. She was always fighting for causes. Like a battleship at full steam, she was always there making things happen, changing things. She always had courage. She was an outspoken and strong woman.

My grandmother set for me an example that I have followed. If she were alive today I think she would be very pleased and proud that I am standing here talking about her role in my life and about grandparents as a whole.

Grandparents play a vital role in the lives of families and in the lives of all Canadians. Whether you have grandchildren or not, you can be a grandparent. In British Columbia there the Volunteer Grandparents Association. It meets and looks after children. As we all know, in society today families can live so far away from each other and many families do not have an extended family or a grandparent close by. These grandparents whose children are not around become grandparents to children whose grandparents are not around and they bridge the gap.

It is interesting to see them at baseball games, to be there at ballet recitals and to watch these adoptive grandparents enjoying all the things their adoptive grandchildren do.

I have to tell members about filling the lives of children. Whether you are a young child, an older child or an adult, grandparents fill your life. My children's grandparents are very far away and they have benefited from volunteer grandparents. I think they always needed to know there was somewhere a safe haven they could go to when their parents did not understand; to go to somebody who had the wisdom and could remind them their parents were children once.

I remember my children telling me I sometimes forgot I was once a child. Grandparents are always there to remind us, to assure us our parents were not as perfect as they pretended to be. They bring that sense of vulnerability and fallibility into parenting, which is good. It gives children something to believe in and something to feel strong about.

The important role grandparents play in the life of a family should never be underestimated. Today where families are fragmented grandparents often take up the life of the family and carry it by themselves; sometimes only temporarily when there is a family crisis or illness and sometimes even permanently because of a divorce.

That is why we clearly need to support grandparents today. We must ensure they remain a stable factor in the lives of their grandchildren, regardless of where the parents are. The reason they do is that grandparents have a sense of continuity. They bridge the past and the present. They bring yesterday into today. Grandparents make us feel as if we have always been here as a people. That continuity is very important to us. Especially when our lives are fragmented and unstable they bring that sense of permanence, that sense of tradition, that sense of stability and reality which is needed in today's world. It is a sense of timelessness, if I may use that word.

• (1830)

Grandparents are very important because they are traditionally wise. They are always wise. Grandparents are a source of advice. They are a good source of advice because they have stepped aside from being subjective and can offer the objective wisdom parents are unable to offer because they are too closely linked to their children.

Three out of every four Canadians over 65 are grandparents. What is interesting is that you do not have to be over 65 to be a grandparent. The image of a grandparent as being someone kind with twinkling eyes behind glasses and an ample bosom and a warm laugh may not necessarily be what grandparents are. Grandparents are also now in their forties and fifties. They bring a sense of vitality to the family that was not there before when grandparents were only supposed to be one age.

Grandparents bring a sense of trust as well. They help us to feel safe because no matter what happens, they are always there. They seem to have a sense of immovability and a sense of complete and total stability. They are an anchor for most of us.

In many cultures grandparents are historians. Many cultures do not have a written history where we can go back and read it, especially in our aboriginal cultures for example. In those many other cultures where there is no written history grandparents bring the stories with them that tell us where we came from and talk about our traditions.

In many aboriginal societies the elders and grandparents are bringing aboriginal people back home, especially today's aboriginal people who have been removed forcibly from their homes at one point in time, have been severed from their past. Today's grandparents are healing in native cultures. They bring the old ways back, the sense of spirituality, the sense of permanence, the sense of bonding.

Health Canada has recognized this and has given grants through the new horizons program to assist grandparents in aboriginal cultures to bring their young people home. They help not just anecdotally but in a real way with issues such as suicide, substance abuse and alcoholism. They have been making a real difference by bringing back the cultures and helping the children. In fact Health Canada's grants send children to camps where grandparents tell stories, teach the native language, teach them basic survival skills, how to sew, and counsel them on issues that are bothering today's young aboriginal people.

It is sad to note that despite their important role in society some derogatory myths exist about grandparents. Those myths continue to be perpetuated.

One myth depicts older grandparents as frail and dependent. Like their young counterparts actually, the majority of older grandparents live active, healthy and productive lives. A 1990 study showed that one out of every two seniors over 65 provided assistance to people outside of their household, such as unpaid transportation or financial support.

Still another myth suggests that families sometimes neglect and even abandon grandparents and many older family members. That is not actually true. Studies have found that seniors obtain 80 per cent of the help they need from their families and that 92 per cent of seniors and grandparents say that they feel emotionally close to their families.

Half of Canada's senior grandparents live within 10 kilometres of at least one child. I did not know that fact until I looked it up recently. They visit regularly, they telephone daily

and they offer very clear and strong emotional support to their families.

I reiterate the fact that the grandparent through all of these ways, regardless of what culture, does play a very clear and strong role. Grandparents are ageless and timeless; they have always been here. They defy socioeconomic barriers. All of us have grandparents. Whether we are rich, middle class or poor, no matter whether we live in a developed world or in a developing world, no matter whether we speak English or any other language, we all have grandparents. They are a common universal treasure.

• (1835)

Because of their timelessness, because of their universality, because of their holding the family together, grandparents offer a sense of stability and a sense of permanence that bridge the past and the future.

I support the bill because grandparents make us immortal.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, it is with great pleasure that I speak to Bill C–291, presented by the hon. member for Halton—Peel, an act respecting the national year of the grandparent which calls upon Parliament to designate 1995 the year of the grandparent.

I say this not only because I am a grandparent to my grandson, Spencer Drew, the most handsome, intelligent, talented and clever boy in the whole wide world who will celebrate his first birthday next Sunday, but because I believe that anything which strengthens the family unit will help to better our society.

Through all generations and cultures grandparents have generally played a caring, supportive and nurturing role in the lives of their families and extended families. The time has come for Canada to formally reaffirm the invaluable contribution grandparents have made and will continue to make to society.

Last year the United States Congress adopted House resolution 355 and Senate resolution 198 proclaiming 1995 as the year of the grandparent, encouraging citizens to observe the year with programs, ceremonies and activities.

Having already reached the month of May, it would seem that we in Canada have been slow off the mark to honour the family and grandparents.

Quebec's civil code has enshrined the role of grandparents in article 611 which states:

> In no case may the father or mother, without a grave reason, interfere with personal relations between the child and his grandparents.

The intent of Bill C–291 truly goes beyond partisan politics in giving grandparents recognition for their important fundamental contribution to family and society, love given freely with no strings attached. Bill C–291 should receive unanimous consent in the House.

Grandparents bring a tremendous amount of affection, energy and other beneficial things into the lives of children. One thing unchanged through all time is that children still require a loving and secure environment. Most grandparents are ready, willing and able to provide love in abundant quantities and children are quick to realize that when in grandma's or grandpa's care they are safe, secure and adored. They have a home away from home, often with fewer or more lenient rules to follow.

Grandparents provide a link to our past, to our roots and to our heritage. During every day conversation they share the trials and joys experienced during their lives. They pass on knowledge of the ways, whys and wherefores of previous generations and give meaning to the changes that have evolved over time.

Grandparents care deeply for the happiness and well–being of these innocent, young, impressionable lives and do everything within their power to pave the way for a better and more caring tomorrow.

Parents can usually depend on grandparents to care for their grandchildren whenever help is needed. They are there when difficult situations such as illness or problems within the family relationship present themselves. Grandparents are there to provide stability and continuity for their grandchildren.

It is only natural that grandparents should be nurturing and caring. After all, they were parents at one time and are now the beneficiaries of the experience they gained while raising their families.

A strong family structure is the best means by which to nurture children and society as a whole and grandparents are an integral part of the structure. Thus, it is most fitting that 1995 be officially proclaimed the year of the grandparent. As 1994 was declared the international year of the family, it seems to logically follow that 1995 should be chosen to give special recognition to grandparents.

• (1840)

Not too long ago, the nuclear family, including grandparents, aunts, uncles and cousins formed a cohesive, interdependent unit which helped to provide the basic necessities of life. Small communities were self–sustaining and so were families.

Today, the economy and times have changed. People have moved away from the hometown and have found employment in places often far removed from the traditional nuclear family. Our society is fast paced, often demanding that people not only change jobs, but pick up roots and change careers several times over their working years.

There is increasing displacement and stress on the family in today's environment, with the result that in many cases, the reassuring support traditionally given by the family unit is not

readily accessible nor available to provide immediate support when it is needed.

More and more homes see both parents working. This evolution has impacted on the role of the grandparents by restricting their access to their grandchildren. Often it is not easy for them to maintain close contact with their grandchildren but despite these obstacles, families do remain united, tied by their common roots. Grandparents have and always will be an integral part of the family because love transcends all obstacles and survives the onslaught of modern society.

Families are the anchors of a caring society. It is vital to do everything possible to preserve the nuclear family unit.

Governments should recognize that the family is best equipped to provide and inculcate those things which make a society strong and caring. Interference or attempts to replace positive family influence with questionable or intrusive government programs simply erode the strength the family can provide to society.

Often, grandparents step in to accept the role of primary caregiver. In cases of family breakdown, they are usually willing to do what comes naturally by simply being available to be part of the solution, an option lawyers and courts often fail to consider.

To have access and be able to provide a continuing, dignified, stable, supportive presence in the lives of children caught in the middle of an emotional and bitter family dispute is a service grandparents are often well suited to assume. Present laws do not foster this option.

In a time when government is looking for ways to restructure social and welfare programs, it should recognize that millions of dollars could be saved and a better solution arrived at by including grandparents in custody and access hearings. This is not only in the best interests of the grandparents but also in the best interests of children often caught in the crossfire.

The courts should recognize there are other options at least in the interim, a neutral third party willing to accept the role of caregiver. Most grandparents, if able, are willing to take on this responsibility and be part of the solution in what is often a highly emotional, indeed devastating time for all parties involved. Again, they are needed but often not considered as an option or part of the solution.

With 1995 designated as the year of the grandparent, it would be logical for government to take the steps necessary to amend current legislation to allow grandparents to be grandparents by providing the care, love and support they are so willing to give.

The Acting Speaker (Mrs. Maheu): There being no further members rising for debate and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper, pursuant to Standing Order 96(1).

Is there unanimous consent to proceed with the adjournment motion?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HEALTH

Mr. Nelson Riis (Kamloops, NDP): Madam Speaker, to add my comments to the previous speaker's on setting aside 1995 as the year of the grandparent, it is a first class idea. I would have liked to have seen that followed through.

However, my few moments are to talk about a question I raised on April 5 regarding the funding of health care. It is fair to say that one of the major factors that distinguishes Canada from the United States is our support of medicare. It is an identifying feature of being a Canadian and sets us apart from the United States.

• (1845)

We see now the possibility of the health care system and medicare system being seriously eroded as a result of the last budget, but also the two budgets leading up to it. An integral part of medicare is the universality provision. Whether one is a baker or a banker one ought to have the same access to health care wherever one happens to live in Canada.

We have held up with pride the universality of medicare as something that distinguishes us from our neighbours to the south. I do not have to remind anyone of the serious differences in the two systems. In Canada we spend a little less than 10 per cent of GDP on health care. In United States, its citizens spend a little less than 14 per cent of their GDP on health care. While their health care system costs much more, the wealthiest of Americans are well served by the system.

The average income earner in the United States who has to pay somewhere between $5,000 and $7,000 a year for coverage that is actually less than that in Canada is adequately covered. Somewhere between 30 and 40 million Americans have little or no health coverage.

As a distinguishing factor, what I was pointing out in my question was in recognition of that old adage that "he who pays the piper calls the tune". When one sees the tremendous reductions in funding for social programs including health care it becomes quite alarming.

While there is no direct effect on this year's funding for health care, the province of British Columbia alone in its cash entitlement under the Canada social transfer will be $371 million less in 1996–97 and $684 million less in 1997–98 than it would have been provided under EPF and CAP funding. These amounts are in addition to the $180 million negative impact of 1994 federal budget on transfers. The net effect of this is that in 1997–98 the entitlement for British Columbia will be $801 million less than the province received in 1994–95.

In summary, because of these massive reductions in transfer funding for health care, we have the likelihood of the health care system evolving into a patchwork across the country. We will have 12 different health care systems. No doubt some of the provinces will be able to withstand the offloading more than others.

The premier of the province of Alberta has indicated an interest in extra billing and privatizing a whole number of services based on the American model. It is certainly a direction that Canadians will not want to take.

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, the gist of the hon. member's question is concerned about the issue of universality which actually has nothing to do with cost.

Universality means that we are all eligible for health care services regardless of what is our status in terms of employability or whether we have chronic illness, chronic diseases or not. Accessibility is the one that talks about ability to pay.

I understand the hon. member's question which is how can we continue to support the kind of medicare system that we know, based on the five principles of health care, if we do not put enough money into it.

As he so wisely pointed out, the United States spends 14 per cent of its gross national product on health care. Canada spends about 10 per cent and Japan spends about 6 per cent. Japan has the highest outcomes in health care in the world today. Canada ranks third. The United States ranks somewhere between Cuba and Czechoslovakia.

If we talk about money spent on medical services being the only determinant of outcome of health care, we are barking up the wrong tree. Money does not equate to outcomes and good health status. Many other things drive health status, such as poverty, environmental issues and many other issues with which we have to concern ourselves.

We are committed to health care. Studies have shown, especially the recent one from the University of Ottawa, that we can have an affordable, much more efficient health care system with better outcomes if we make some very real changes. We should look at such changes as moving from acute care to community care, looking at care closer to home; looking at providing core services for continuing care for seniors, looking at prevention and health promotion. Many of these things will give us better outcomes. This study has shown that we can save $7 billion a year on health care payments as a federal government and still come up with very good results.

• (1850)

We are talking about a time for looking at how we renew our system and how we make our system more effective and more efficient. We now know of so many ways to manage our system. That is what we are talking about in the renewal of health care. Those are the changes we want to see.

INFRASTRUCTURE

Mr. Randy White (Fraser Valley West, Ref.): Madam Speaker, what I have to say today reflects upon the inadequate responses I have been getting as far as the Wentworth bypass in Nova Scotia goes and the money that was transferred by the minister of public works to his home riding.

I have asked this question four times in the House now. I am still not satisfied that the minister is going to be held accountable for this. I want to outline for those folks who are interested in this particularly serious problem just exactly what went on.

In 1992–93 there was a program called SHIP, the strategic highways improvement program in Nova Scotia. This joint program was to upgrade the 100 series highways, the Trans–Canada network highways. Under this agreement the federal and provincial governments shared in the improvement program.

What happened on May 11, 1994, according to the Nova Scotia auditor general's report, $26 million of these funds were diverted from highway 104 to a tourist highway, the Fleur–de–Lis trail, which is not a 100 series highway in the minister's very own riding in Cape Breton.

It happens that the minister and MLA Richie Mann, who I believe was Nova Scotia's minister of highways at the time and may still be, were both involved in this discussion. I have given quotes in the House which substantiate that instance where they were involved. They decided to take $26 million out of this project and put it toward the Fleur–de–Lis trail.

The difficulty many people in the Wentworth, valley area and indeed throughout Nova Scotia have is that it is considered one of the most dangerous highways in the country. As a person who lives in British Columbia, I can tell you there are a lot of dangerous highways in this country particularly in the mountains. However, this is considered one of the most dangerous highways in the country. There have been 40 deaths in the last number of years which I spoke about in this House.

They diverted the money from this federal–provincial project to a road which is basically a tourist area in the minister's riding. What does that say about the process? I guess it is up to the minister to be held accountable for what he did, but what it says

to most folks in the Wentworth Valley and the people who have to travel through this area is that you care a lot less about the lives of the people who travel this highway than about the money in your own riding.

There is going to be a toll on that highway which is likely to be $7 to $10. It will take an hour to drive through that area. What have the people ended up with in this whole exercise? It turns out that the minister of public works, not the minister of highways who has been answering my questions, made a deal with a provincial minister who also benefited from it to transfer money. Now the people in Wentworth valley are going to pay the price for it through tolls.

It is inappropriate. I will quote a Liberal member opposite: "This is about principles. It is about money that was misappropriated. If an agreement like this can be broken then I could go in to lobby for something ridiculous somewhere else. It is a matter of trust in cost sharing. Someone has to be held accountable". I ask: Why is the minister of public works not being held accountable?

• (1855)

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Madam Speaker, as the Minister of Transport has stated repeatedly and clearly, although maybe not for some, highways are a provincial responsibility. However, the federal government has a longstanding practice of entering into cost sharing agreements to provide some level of service.

Multi–year programs are often developed with a tentative list of projects referenced in the initial agreement. There are myriad reasons why the project lists attached to various highway agreements change over the life of the agreement.

We cannot forecast what may happen as individual projects mature. There may be delays due to design problems, completing the environmental assessment, changes in provincial priorities or cost changes. Virtually all highway agreements administered by the federal government change during the course of a year.

The project list attached to the Nova Scotia agreement was developed in early 1993 as part of an initiative to provide a stimulus to spur economic growth and job creation.

It is worth noting that several provinces are either investigating the option or have implemented public–private partnerships as a means of advancing projects comparable to the highway 104 project.

To answer the question of the member with respect to tolls, the reality is that the province of Nova Scotia requested a change to reallocate some, not all, of the funds to include an allocation for the Fleur–de–lis Trail.

There are actually two Nova Scotia highway programs. Between them approximately $215 million is allocated to route 104, not an insignificant amount. Route 104 has received a tremendous contribution.

Two minutes does not allow me time to rebut every aspect of the allegations made by the member opposite. It is important to use the time to set forth the basic facts so that the lack of substance to the allegations can be seen for what it is: mere opportunism.

To be perfectly clear, there are always discussions with the provinces on transportation issues and project substitutions do occur. The member must understand that the provinces spend the money and decide on the priority of projects.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, we can see that a large number of Quebecers going on welfare every month, generally 40 per cent of the 5,000 individuals or so who join the ranks of welfare recipients, are young people. These numbers have increased since last summer. Why is that?

Since the government passed Bill C–17, to restrict access to unemployment insurance by increasing the qualifying period and reducing benefits as well as the numbers of weeks, people are suffering from this decision and many end up on welfare. I have asked the Minister of Human Resources Development repeatedly if he realized that his cuts to UI had particularly dire consequences for young people who then have to rely on social assistance.

The minister indicated that he wanted to move away from the passive assistance provided through unemployment insurance and toward active assistance. But one should not prevent the other. Nothing prevents us from helping young people who do not have sufficient training or helping them find a job, but when no jobs can be found for those who are already trained—many university graduates came to see me at my constituency office—why refuse them access to unemployment insurance? Why make their first few contacts with the job market more difficult because jobs are too short, because employment is temporary instead of being stable? Why force young people onto welfare?

We believe that the government should amend this clause of Bill C–17. It makes no sense, because the first contacts that young people have with the work force teaches them that they do not belong in it. How are the amounts accumulating in the unemployment insurance fund being used? In the last budget, an accounting trick allowed the government to use these funds to reduce the deficit. To a great extent, it is young people and women are the ones paying for this deficit reduction move.

This is not acceptable in a society like ours, and it is above all not acceptable for Quebec, where young people are considered the engine, the vital element, because, among other things, they will have families and will make it possible for the people of Quebec, which is an endangered species in North America, counting for barely more than 2 per cent of the population, to survive.

And now young people are swelling the welfare ranks because we have stripped them of even the glimmer of a hope of ever finding a job.

[*English*]

Mr. Joe Fontana (Parliamentary Secretary to Minister of Transport, Lib.): Madam Speaker, we would agree with the hon. member that the situation of young people in Canada is an issue that concerns us all. However, we believe it is incorrect to assume that most people who leave UI will go on welfare.

Employment gains in 1994 reduced new UI claims by some 10 per cent from 1993 and helped over 200,000 more people get off UI without exhausting their benefits. Data for March shows that the unemployment rate for Canadian workers 15 to 24 years of age has decreased by 2.4 per cent since the government came into power. While that is still not an acceptable figure, we intend to continue to work on the situation.

We are committed to stimulating the creation of employment opportunities for youth and taking concrete action. Summer employment programs have been redesigned to reinforce programs that provide the best results in job creation. The student summer job action program, a package of six job creation elements that will target the needs of post–secondary and senior high school students, will result in the creation of 44,500 summer jobs. The continuation of the youth internship program funding has been increased to $118 million from the 1994 funding of $25 million. We intend to continue Youth Service Canada, with an expected 17,500 participants over three years. The funding has increased to $28 million from $25 million. In addition, we are creating new funding of $15 million for Youth Service Canada. Overall, funds for youth programs and services for 1995–96 have increased by $43 million.

In Quebec, HRD is opening six Canada Employment Centres for students on Montreal Island. Approximately 50 students will be working in six Canada Employment Centres and approximately 7,000 jobs will be posted.

Jobs are what Canadian youth needs and jobs are what this government is creating for them.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), a motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.04 p.m.)

HOUSE OF COMMONS

Wednesday, May 3, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

PROFESSOR MICHAEL SMITH

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, today I want to pay homage to a great Canadian who became a Nobel Laureate in 1993 and who will be awarded the Order of Canada today.

Professor Michael Smith resides in Vancouver East and teaches biochemistry at the University of British Columbia. Professor Smith has an outstanding career of academic and humanitarian achievements. He received his Nobel prize for work dating back to 1976 centring on a program he developed for reprogramming genes.

[*Translation*]

Professor Smith gave the half a million dollars in prize money to many causes. He gave $126,000 to the Société des femmes canadiennes en sciences et technologie; he has pledged the rest of it to schizophrenia research and to assisting people who teach in remote regions of British Columbia.

Professor Michael Smith's generosity and competence know no bounds.

[*English*]

It is people like Professor Michael Smith who make us all proud of being Canadian. It is on behalf of Canadians everywhere that I want to thank and congratulate Professor Smith for his achievements and generosity.

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CANADA REMEMBERS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I was proud when the Secretary of State for Veterans Affairs visited Peterborough riding. He visited the RCAF Association, the Navy Club, Empress Gardens and a number of other locations. He met with ex–servicemen and women from legions throughout the city and county of Peterborough and with members of the Dutch Canadian community.

This visit was part of ongoing activities in connection with the Canada Remembers year during which we take time to remember the sacrifices and achievements of the last year of World War II 50 years ago.

It is fortunate that this important anniversary is being recognized this year. We need to remember Canada now as never before. We should all take time to think about this great country, about our history and our future, about our land and about our people.

I thank the Peterborough Canada Remembers committee and I urge the secretary of state to continue his vigorous efforts to encourage us all to be proud of Canada.

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[*Translation*]

GOVERNMENT SPENDING

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, once again, taxpayers' money is going up in smoke. The federal government has chosen the Italian Alps as the site of an international conference on tobacco farming in third world countries. Yes, you heard me right, the Italian Alps.

Canadian taxpayers will pay the expenses of not only six federal representatives, but also 20 experts from various countries. How can the Government of Canada justify such an expenditure in the present context of austerity?

Once again, the federal government's total lack of common sense in the way it manages the public purse has surfaced. While the federal government's reforms are wreaking havoc on the most needy, it is spending taxpayers' money like there is no tomorrow.

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[*English*]

FIREARMS LEGISLATION

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, hundreds of law–abiding citizens in Yellowhead are attending firearms legislation meetings across the riding.

The message they are trying to get through to this ivory tower, out of touch government is this: They do not see how gun control will prevent criminals from committing crimes; they do not like the fact that this legislation will give the federal cabinet

unprecedented search and seizure powers; and they do not like the fact that their right to bequeath or inherit property is being trampled on by Bill C–68.

Already over 800 people have attended four gun control meetings in my riding with more meetings to come. Not one person has spoken in favour of Bill C–68. The majority of the people of Yellowhead want the standing committee on justice to make changes to the gun control bill so it seeks to punish the criminal instead of making criminals out of law–abiding gun owners.

My constituents want the justice system to work for them, not against them. Common sense must prevail.

* * *

[*Translation*]

GUN CONTROL

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, the people of Beauce are living a nightmarish week in the wake of a horrible and incomprehensible tragedy. A disturbed father killed his daughter and Sainte–Marie de Beauce's chief of police before killing himself. The people of Beauce, who always stand by each other, have extended their support and compassion to the families directly affected.

In this ever–changing world, which causes some people to become despondent and perturbed, we all hold great power, the power to choose: choosing to love instead of hating; choosing to heal others instead of hurting them; choosing to create instead of destroying.

In Sainte–Marie de Beauce, after the initial shock and consternation, the time for consoling and forgiveness has come. One of the things we can learn from this tragedy and the many others preceding it is that we must review the way we control guns and bring in measures to manage them wisely.

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RÉSEAU NATIONAL D'ACTION ÉDUCATION FEMMES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, it is a pleasure to have this opportunity to stress the importance of a national organization that is actively involved in providing opportunities for education for women in minority language communities.

The Réseau national d'action éducation femmes has for many years been involved in promoting and improving the education of francophone women.

Its role also includes making the public aware of the specific needs of francophone women in minority language communities, seeking out teaching tools, providing literacy training, promoting recognition of vested rights and doing research on employment equity.

I would also like to draw your attention to activities that are being prepared for next fall. The Réseau national d'action éducation femmes is gearing up for a national francophone women's education week.

I would urge hon. members to show their support for this outstanding initiative and to help make it a success. We all have a stake in education.

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[*English*]

MOTORCYCLE AWARENESS MONTH

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, last Saturday on behalf of the Government of Canada, I proclaimed the month of May in Nova Scotia as Motorcycle Awareness Month. It is a time to raise the awareness of all motorists to the presence of the two wheeled vehicles that share the road. It is a time to promote education and safety among bike enthusiasts.

Since the end of World War II, motorcycles have increased in popularity, especially among the Canadian and American veterans who used them overseas. They were the ones who formed the first bike club as a means of recreation and fellowship in community service.

A motorcycle ride can be one of the most exhilarating experiences as I found out last Saturday when I was a passenger on a ride through Truro following the blessing of the bikes.

I congratulate the members of the organization, the Responsible Bikers of Nova Scotia, who have not had an accident or a death since their founding.

I urge all members of this House to participate in similar education programs.

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[*Translation*]

COMMISSIONER OF OFFICIAL LANGUAGES

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, the Commissioner of Official Languages made a surprising statement last week when he maintained that Quebec violated the Official Languages Act by failing to offer courses in English to immigrants through its Centres d'orientation et de formation des immigrants.

• (1405)

Yesterday, when he appeared before the joint committee on official languages, the commissioner admitted his mistake. He had no jurisdiction in this case and agreed that Quebec's immigration policies did not in any way violate the Official Languages Act.

The commissioner should concentrate on telling federally regulated corporations to get their act together, including regional carriers affiliated with Air Canada and the Canada Post Corporation.

The commissioner should also put more pressure on provincial governments that continue to deprive their francophone residents of the educational facilities to which they are entitled.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, immediately following the disaster of the Oklahoma bombing, the U.S. attorney general pledged she would seek the death penalty for those responsible. This demonstrates that country's intolerance for violent crime, something that is greatly lacking in our own country. Here a bleeding heart mentality has reigned for years.

In Canada last week, one of our police chiefs was shot to death. Did the Minister of Justice display the same outrage as his American counterpart to this senseless act of violence? Did the minister express the growing outrage of Canadians, including our police officers, who have repeatedly called for a return of capital punishment in this country? No.

Our justice minister's only response to this latest act of violence is to offer Canadians costly and useless gun registration. That is what this minister calls getting behind our police forces.

Criminals will not be deterred by the registration of firearms. They will not be stopped until we have a justice minister with sufficient backbone to take a strong stand against this senseless kind of violence.

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AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, this government and the previous government offered deregulation and competitiveness as the only answers to globalization. Yet the very price of deregulation is making competitiveness almost impossible for global traders like western Canadian farmers.

This government has removed the cost guarantees that went with the Crow benefit and is promising to remove the price ceilings on freight rates by 1999.

Control over farm costs has virtually disappeared. Fertilizer and fuel prices have taken huge unwarranted price jumps lately. Fertilizer costs are up 20 per cent or more over last year. Big fuel price increases are well documented all across the country. Combined with freight cost increases of 100 per cent, how can the grains industry, which has been struggling already, continue to be competitive?

Deregulation theory promised to cut costs, not raise them. Was it all a big lie?

[*Translation*]

JOB CREATION

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, once again, total confusion prevails in the separatist camp. The Quebec Premier has made more contradictory statements.

Last March, he told us that, since September, 58,000 jobs, or 78 per cent of all new jobs in Canada, had been created in Quebec. However, on May Day, he boasted about the 43,000 new jobs created in Quebec since September, a number equal to half of all jobs created in Canada.

Either Mr. Parizeau does not know how to count or else he is very proud to tell us that Quebec has lost 15,000 jobs in less than two months. What good news for the 800,000 welfare recipients in Montreal and elsewhere.

No wonder the Bloc Quebecois and the PQ are once again looking for a scapegoat in Ottawa.

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[*English*]

FAIRY LAKE ENVIRONMENTAL TOUR

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, Earth Day 1995 has passed. However the Sacred Heart graduating students of the environment and economic class have left a lasting legacy to the community of Newmarket, Ontario. I was pleased to attend the opening of the environmental tour of Fairy Lake.

The students enthusiastically worked on this class project to inventory and identify the natural and historical elements of the parkland surrounding Fairy Lake. They have also prepared a pamphlet and tour kit as well as a colouring book for children. In order to complete this project the students had to solicit support from the town of Newmarket and local businesses.

• (1410)

These enterprising students have now made it possible for individuals and families to enjoy and learn more about the natural and historical environment surrounding Fairy Lake.

Community involvement has always been a priority for the students of Sacred Heart. I would like to congratulate them on their efforts and wish them luck in their future endeavours.

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NATIONAL NURSING WEEK

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, May 8 to 14 is National Nursing Week in Canada. As a former registered nursing assistant, I am delighted to have this

opportunity to salute my former colleagues in Lambton—Middlesex and throughout Canada.

For this year's National Nursing Week, Canada's 253,000 registered nurses will be planning activities to increase knowledge and understanding of nursing contributions to the health of Canadians under the theme: "Your Family's Health: Nurses make a Difference".

No matter where nurses work, be it in the hospital or in the community itself, their focus has always been the family. Nurses provide families with information to prevent them from becoming ill, to help families through challenging times and to make meaningful choices.

Nurses are also interpreters. They take the vast amount of health care knowledge flooding clients and interpret what it means for their health and that of their families.

Because they have the right combination of knowledge and skills for promoting, maintaining and supporting health, nurses are ideally positioned to make a real difference to the health of Canadians and to ensure the healthy future of Canada's medicare system.

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[*Translation*]

HOUSE OF COMMONS SECURITY SERVICES

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, on the 75th anniversary of the House of Commons Security Services, I wish to pay tribute to all members of the staff.

Created in 1920, a few years after the old Parliament building was destroyed by fire, the Security Services are responsible for the protection of members, employees and buildings on Parliament Hill. They also welcome hundreds of thousands of visitors from Canada and Quebec every year.

I wish to remind everyone that security staff must not only ensure the safety of the public and the employees of the House of Commons but also process many visitors, at a time when vigilance is a must. They do their job effectively and professionally.

On the 75th anniversary of the House of Commons Security Services, I invite all my colleagues to join me in commending the security staff for their much appreciated services.

* * *

[*English*]

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, in the Sunday *Sun* I read of the horrible death of a 20–year old woman who was shot by her estranged husband. In the same article, I read of five other women who recently died at the hands of their estranged husbands, all in the Ottawa area. Of these five, one was bludgeoned to death, two were strangled and two were knifed.

When will the Minister of Justice open his eyes and realize we have a serious problem on our hands in this country and recognize the instrument of death is not the problem?

When will the minister recognize that the cause for fear in this nation is from a very weak justice system which has lost its focus on protection of the innocent and law–abiding persons and concentrates too heavily on the criminal and his rights?

When will the minister realize Bills C–37, C–41, C–42, C–44, C–45 and C–68 are only tinkering with the seriousness of this problem and essentially solve nothing?

When will the justice minister take the bull by the horns, say enough is enough and send a clear message to the would be killers of this land. Come on, Mr. Minister, do your job and do it now.

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POLAND

Mrs. Carolyn Parrish (Mississauga West, Lib.): Mr. Speaker, on behalf of all Canadians of Polish descent, I rise in the House today to commemorate the 204th anniversary of the Democratic Constitution of Poland and to join in the celebration of the re–emergence of democracy and liberty in that nation.

Poland has historically been blessed with citizens of extraordinary conviction; some even call us stubborn. They believe in an independent Poland as well as in the value of a truly democratic government. The enduring faith of those who recently witnessed the rebirth of democracy is an inspiration to many.

Too often, we who have the good fortune of living in a democratic society become complacent about our freedoms and opportunities. This anniversary is a reminder of the courage, commitment and vigilance which democracy requires.

Gratuluia calowa polska rodzina.

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NEWFOUNDLAND DOCKYARD

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I would like to speak today about the Newfoundland dockyard which has been a major employer in St. John's West for 110 years. Now Marine Atlantic is negotiating to sell the assets of the dockyard.

• (1415)

Last year the dockyard generated over $28 million in revenue and employed 840 people, the highest level in well over a decade. Today only 42 people are working at the dockyard and tomorrow the number may well be less.

I call on the Minister of Transport to explore all possible options to ensure the survival of the Newfoundland dockyard. With increased offshore development now and in the future, the potential for more work at the dockyard is strong. Discussions with all stakeholders in this matter, particularly the employees, must begin immediately to ensure the continued employment of the workers.

I believe that a company with $28 million in revenue can be maintained as a viable economic entity. I ask the minister to work with me to try to find a solution to keep the dockyard operating.

ORAL QUESTION PERIOD

[*Translation*]

CANADA SOCIAL TRANSFER

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in announcing yesterday the amendments to Bill–C–76, the Minister of Finance tried to play down the motion tabled by the official opposition denouncing the federal government's intention to impose new standards on the provinces for social programs. I would point out that, with this bill, Ottawa is limiting the provinces to assuming a mere advisory role in the process of defining the national standards.

My question is for the Prime Minister. Would he acknowledge that the most concrete way to show his government does not intend to impose new national standards on the provinces is by amending Bill C–76 so that these new standards are submitted to all the provinces for their approval?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think that the Minister of Finance provided a very satisfactory explanation yesterday. This bill will come before the House of Commons, and we will be able to discuss it. Here in Canada, we must maintain national standards. They already exist in all these programs.

Some need changing, and so the Minister of Human Resources Development and the Minister of Finance will hold the necessary discussions. Since we want to maintain an appropriate level of support for all Canadians, we must ensure that the standards will continue to ensure proper services for people from one end of the country to the other.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the head of the government is even more ambiguous than his Minister of Finance—no small feat.

Some hon. members: Ha, ha.

Mr. Bouchard: A fine competition. Yesterday, the Minister of Finance told us that an upcoming amendment, not yet tabled, would provide for mutual agreement in establishing the criterion for the imposition of the standards. The expression is very vague. I would ask the Prime Minister to tell us what he means by mutual agreement. Does the government mean the necessary approval of all the provinces or, as with the patriation of the constitution in 1982, will a majority of the provinces suffice?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have just said that standards already exist, which must be changed. The opposition has called for their change. We want to make changes. We want to discuss the nature of these changes in the House and then we will talk with the provinces. However, the standards that are in place will stay in place, and we are prepared to change them.

If the opposition does not want us to change them, on the other hand, we will not change them. If they do have to be changed, I am sure the proposals of the Minister of Human Resources Development and the Minister of Finance will be very reasonable, as usual, and the provinces will be pleased to accept them.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in other words: "Trust my ministers; everything will be fine".

Some hon. members: Ha, ha.

An hon. member: That is not very reassuring.

Mr. Loubier: No, indeed. It is not very reassuring.

Mr. Bouchard: I am sure it comes as no surprise that we are not reassured. If the Prime Minister believes the provinces have nothing to fear from the new national standards, why then is he still refusing to call a federal–provincial conference to debate publicly, first, the distribution of the cuts to the transfer payments announced in the budget and, second, the new national standards he wants to put forward, particularly in health and social assistance?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, in health matters, there will be no negotiation, because, as we said clearly during the election campaign, and as I repeat now, the five principles incorporated in the Canada Health Act must remain. We have no intention of changing national health standards for any reason.

• (1420)

As to holding a federal–provincial conference, the Minister of Finance regularly meets his provincial counterparts, and the Minister of Human Resources Development will be contacting and discussing matters with the provincial governments. I am surprised now to see that the Bloc Quebecois wants normal relations with the Government of Canada. Speaking for the Government of Quebec, I suggest they consult Ms. Beaudoin; this is another change in direction, Mr. Speaker.

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TAXATION

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, at a conference on the economy held in Ottawa yesterday, the Deputy Minister of Finance, David Dodge, stated that Canadians earning between $75,000 and $200,000 a year pay too much tax. He suggested that the federal government reduce taxes for high income earners so that Canada can remain competitive on global markets.

Does the Minister of Finance agree with his deputy minister and should we expect a ministerial statement announcing a tax reduction for high income earners in the near future?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it is a shame that the member opposite is so selective in his reading. I made it very clear myself yesterday that this government's ultimate goal is to reduce taxes in Canada. In fact, that is one of the reasons why we are determined to put our fiscal house in order.

At the same time, I indicated that, if taxes were lowered, they would be lowered for the middle class and the poorest in the country because they are the ones who are paying the most.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday, the deputy minister referred to the wealthy and suggested that the taxes of wealthy Canadians be reduced.

The idea would be to listen a little less to the Power Corporation head office and, with respect to tax reform, to start by imposing a minimum tax on corporations. That would make sense.

How does the Minister of Finance reconcile his deputy minister's statement with, on the one hand, his so–called commitment to ensure that all Canadian taxpayers make an effort to help reduce the deficit and, on the other hand, his decisions which have consisted thus far in demanding a much bigger effort from lower income households and attacking the unemployed at every chance?

[*English*]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I know this is going to come as a great shock to the opposition finance critic but there is a minimum tax on great big corporations already.

It should not come as a great shock that we are going to reduce taxes, that ultimately we must reduce taxes. It is why we would like the co–operation of the Bloc Quebecois to help clean up the nation's balance sheet. It is why we would like the co–operation of the Bloc Quebecois when we want to build newer technologies and put Canadians back to work.

What I would really suggest is that we come together to work for the betterment of the country, rather than create strawmen so the opposition members can make fancy speeches in the House of Commons.

* * *

BOSNIA AND CROATIA

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in the former Yugoslavia the Croatian army captures a rebel Serb enclave, Croatian Serbs then retaliate by bombing Zagreb, the Croatian capital, and Bosnian Serbs threaten to resume fighting and to ignore security council peacekeeping resolutions because they say the UN did not react strongly to the Croatian offensive.

Peace is nowhere on the horizon and there is growing danger that Canadian peacekeepers will become human shields in a full blown conflict.

My question is for the Prime Minister. What implications will this escalation of the conflict have on our peacekeepers' ability to fulfil their mandate and to deliver humanitarian aid in the former Yugoslavia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we deplore the activities that have resumed in that part of the world. We hope that everybody will have the good sense to resume the ceasefire. I am informed that at two o'clock p.m. GMT today a ceasefire was accepted by all parties.

Some hon. members: Hear, hear.

• (1425)

Mr. Chrétien (Saint–Maurice): I hope everyone realizes it is completely futile to try to resolve this problem by using arms and fighting. Also I hope that the propositions that have been made so far will be taken seriously.

In the meantime we are making sure that our soldiers are being exposed as little as possible. They know they are in extremely difficult circumstances at this time.

I met those who left Valcartier two weeks ago. I am always impressed with their courage and determination, and how willing they are to take chances with their own lives in order to make sure that people are protected from the misery of people who just prefer arms to negotiations.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, in the Liberal red book they said they would not be camp followers with respect to foreign policy. That is certainly not the case in the former Yugoslavia.

Canada is contributing a disproportionate number of peacekeepers and yet we have little say in how they are deployed. We are not part of the UN contact group. Germany, which does not have one soldier involved in the peacekeeping mission, has more of a say than Canada.

How can the government justify being a major player in the peacekeeping effort while it remains a minor player in the decision making process?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, all major decisions are made by the UN. UNPROFOR is a UN group and final decisions are made by the military command of the United Nations. We are not a member of the group of five for various reasons, among them the fact that some of the neighbouring countries think they can play a better role than we can.

We are doing what we do best. We are on the ground, making sure we are not taking sides. That is why the Canadian position is always appreciated by everyone. I talked with the President of Croatia when I was in Budapest and I talked with the President of Bosnia. They both told me they appreciate the professionalism of our soldiers.

Our soldiers are not there for us to gain political points internationally. They are there because they are the best.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Reformers believe that Canadian peacekeepers are the best in the world and deserve to be supported where they are deployed. However the situation on the ground in Croatia and Bosnia has changed but the peacekeepers' mandate has not. There is no peace to keep.

Given that the Minister of National Defence vowed to withdraw our troops if their safety was threatened and if their ability to fulfil their mandate was in question, will the Prime Minister now order an immediate withdrawal of Canadian peacekeepers from the war zone in Bosnia and Croatia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that would be extremely irresponsible at this moment. For the last few years situations have arisen where fighting was renewed. The troops were there doing their job and brought about many ceasefires.

The situation today is no worse than it was six months or a year ago. It is always difficult. Canadians are not afraid to take on a difficult task. We are there to maintain the peace. We are not there to come and go. When we make a commitment we fulfil our commitment.

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[*Translation*]

TAXATION

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, my question is for the Minister of National Revenue.

After granting a research and development investment tax credit during four years, Revenue Canada has now changed its mind and is asking the 15,000 Quebecers who took advantage of that tax provision to repay amounts which are three to four times higher than their tax savings. This retroactive about face could force about half of those concerned to go bankrupt.

How can the Minister of National Revenue ask 15,000 middle income taxpayers from Quebec to repay deductions, with interest, allowed under a tax provision which they used in good faith?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, senior officials from the department are conducting a close review of all the files of taxpayers who invested in these research companies. The various representations made, as well as all the relevant information, will receive full consideration.

• (1430)

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, how can such a retroactive repayment be sought, considering that the problem is the direct consequence of the negligence of the revenue department, which, after four years, has just changed the rules affecting thousands of taxpayers?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the issue is not as clear nor as simple as the hon. member is suggesting. Again, I stress the fact that every file will be closely reviewed by the department before a decision is made. In some cases, we even have to look at research conducted abroad, or with several companies that have formed a partnership for this purpose.

It is very difficult to solve this issue quickly, but we are doing our best.

* * *

[*English*]

ABORIGINAL AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the minister of Indian affairs raised the expectations of aboriginal people to the point where his departmental officials are now asking him "to bring high expectations of the aboriginal community to manageable levels".

What will the minister do in his statements and in his processes to reduce expectations upon which he cannot possibly deliver?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, at present we are looking at how the process of inherent rights can be put into place in an efficient way.

We are working on it. We already have a number of very positive results. We will announce any new policy as soon as it is ready.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, in B.C. the current treaty process has created expectations that are forecast to cost $8 billion to $20 billion. There is no way that governments can deliver on this. The public is clamouring for a new approach.

What will the minister do to create an affordable process and reduce aboriginal expectations so that B.C. can support modern treaties?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the views of all stakeholders in this question are being considered.

All stakeholders have to be consulted and discussions have to take place with them. We have to be able to assess their views and in the end to render a series of possible policies that will satisfy all stakeholders. This is exactly what we are doing.

* * *

[*Translation*]

PENITENTIARIES

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Solicitor General.

In our penitentiaries we have 1,200 Rastafarians, members of a religious sect that includes smoking marijuana as a part of Sunday services. The chaplains, torn between their responsibility for spiritual well–being and the law, feel obliged to give them their weekly joint of marijuana.

Does the Solicitor General think it is normal that illegal substances like marijuana are freely available in federal penitentiaries and are distributed with the blessing of the penitentiary administration?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the penitentiary administration has informed me that it does not allow the use of marijuana in religious ceremonies.

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, I am afraid our sources contradict each other. Since there is no indication of this in the various annual reports published by Correctional Service Canada, I would ask the minister to identify for the House the Government of Canada's supplier of marijuana.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I would like to ask the hon. member what he was smoking before he asked his question.

* * *

• (1435)

[*English*]

TELECOMMUNICATIONS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the Minister of Heritage's luncheon in Los Angeles continues to leave a bad taste in the mouths of Canadians. The list of names of people in attendance supplied by his own office shows that Roger Mayer, president of Turner Broadcasting, was conveniently left off the list. Mr. Mayer, however, insists that he attended the lunch with the minister.

Why did the Minister of Heritage hide the fact that Roger Mayer actually attended the lunch? Could it be because Turner Broadcasting has an application before Investment Canada?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I gave a list of all the people who attended the luncheon as it was given to me. If anybody else slipped in, I have no notion of it.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, last Friday in question period when the minister was asked who attended the lunch, he conveniently forgot to mention that Mr. Mayer was there. Surely that cannot be blamed on staff. The luncheon was not that huge that he could not remember everyone who was there.

Guess who was coming to dinner? The president of Cineplex Odeon and the chairman of the board of MCA, both principals in the Seagram deal that is under review by Investment Canada and, as I mentioned, the president of Turner Broadcasting, a principal in another deal being reviewed right now by Investment Canada.

These companies stand to gain hundreds of millions of dollars if they receive this favourable review from Investment Canada.

I have a supplementary question. Why did the minister place himself in a direct conflict of interest, given the fact that Investment Canada is consulting his department on the ruling?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the third party is completely mistaken. The review cannot be done by the minister because it is not his responsibility.

Ministers are going abroad and trying to do something good for the country. This sector is extremely important for Canada. We are in a surplus position. We can export. The more business we can get for the artists of Canada, the better I will feel and the more thanks I will give to the ministers.

* * *

[*Translation*]

CANADIAN FORCES

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

The minister has tried several times to attribute poor morale in the armed forces to recent cutbacks and the negative attitude of the media. However, according to an internal report on military morale prepared by Colonel Oehring, the main cause is, and I quote: "An increasingly impotent military leadership and uncaring system".

How can the Minister of National Defence maintain, as he did last week, that the morale of the military is at a low ebb because of budget cuts and the attitude of the media and the opposition, when an internal report by the armed forces, submitted by Colonel Oehring, maintains that the leadership is to blame?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do not know where the hon. member has been. That report surfaced just before Christmas. It was raised in the House by the critic for the Reform Party. It raises some serious concerns that are being acted upon, concerning the feelings of members of the armed forces.

Some of them we are addressing in terms of pay scales. Some we will be addressing in terms of new equipment. I believe there has been a lot of improvement since that memo was written. Many of the suggestions of the special joint committee on defence, of which the hon. member was a distinguished member, have been acted upon. All those things will contribute to better morale in the army.

• (1440)

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, that was not the answer I got when I asked the Minister of National Defence about this in committee, last week. What does the minister intend to do to turn the situation around?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think I have answered that many times. I answered it in the committee last week.

There is no question the publicity over the last couple of years flowing from the events in Somalia, and some other problems we have had, have tended to raise some questions within the forces. Certainly there has been some question about the number of high officers with respect to the ordinary rank and file in the armed forces. That is being corrected.

We have announced a reduction of about 25 per cent at the general officer level and 20 per cent at the colonel level. The argument that we are perhaps too top heavy is being addressed.

All these things are under review and are being improved upon.

* * *

TOBACCO

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, my question is for the Minister of Health.

Some interest groups have been claiming that the tobacco tax decrease has resulted in an increase in tobacco consumption. Other parties have been claiming there has been a reduction in smoking rates.

Could the Minister of Health advise the House whether or not Canadians are consuming more tobacco?

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I thank the hon. member for the question because it gives us a chance to ensure that everyone knows what the facts are in this issue.

Epidemiology is a system of ensuring that the demographics and all things that make a disease occur are checked out. When we set about our strategy for tobacco we ensured there were four parts of a survey that would be done by Statistics Canada to look at evaluating the strategy.

The third part of the survey came out recently. It has shown that there are 150,000 fewer smokers in Canada right now. We will continue our strategy because this is not a good enough response. We want to be ensured that all people who currently smoke stop and those who intend to will eventually never do so. We are still plugging away at our strategy.

* * *

FISHERIES

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, in the minister of fisheries' fight to end overfishing off the Grand Banks he has at times been prone to rhetoric and occasional flights of fancy in the name of conservation.

But yesterday the minister went too far. He trivialized the ultimate sacrifice made by those who died for this great country during the second world war by evoking their memory to score points in our dispute with the European Union.

Does the minister realize that his remarks offended many Canadians and is he prepared to apologize to those who took offence?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, about a week and a half ago, along with delegations from Australia, New Zealand, Great Britain, Turkey and Pakistan, I represented Canada in memory of the Royal Newfoundland Regiment. I was at Gallipoli where I had the honour and the privilege on behalf of Canadians everywhere to visit seven war cemeteries commemorating the loss of young lives, in this case young Newfoundlanders and all other allied forces that fought in the Gallipoli campaign.

Having participated in the ceremonies, yes, it was very much on my mind yesterday. Just days before the celebrations commemorating the 50th anniversary of V–E Day is an appropriate time for Sir Leon Brittan to come to Canada giving thanks and not complaints about the country's contribution to the world.

I do not make any apologies for reminding Sir Leon of that. I am proud of it. Canadians are proud of it. We ought to celebrate it.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the Canadians who died in the second world war did not die to become bargaining chips in the dispute with the European Union. It is my understanding that our dispute over the fishery is built on principle, the principle that by Canada intervening we are trying to save a fish stock which could be destroyed.

• (1445)

Does the minister not believe that the principle of saving that stock is sufficient to defend his actions?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, let me say with the utmost seriousness that all of us without exception on this side of the House, and I would like to think all without exception on that side of the House, deeply appreciate and take the time to give thanks for the tremendous freedom we enjoy because of the contribution of Canadian soldiers in two world wars and in other conflicts around the world, including the contribution today.

If the member thinks it inappropriate to remind others of the sacrifice we have made, all I can tell him is I strongly disagree with him.

The only party in the House that condemned the deal the day it was announced with the EU was the Reform Party.

* * *

[*Translation*]

FILM DISTRIBUTORS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

Film distributors and exporters are concerned about two American movie and video companies, Turner and Polygram, which want to distribute their products without dealing with Canadian distribution companies. The Turner group's plan is said to be currently under review by Investment Canada.

Can the Minister of Canadian Heritage tell us if his department was consulted regarding the plans of these two American companies, Turner and Polygram, for direct distribution of their movies in Canada, thus bypassing Canadian film distribution companies?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as the hon. member knows full well, the issue is now in the hands of Investment Canada, following the government's decision to force Polygram and Turner to make an application before they are allowed to invest in Canada. An order in council was issued in this regard. The process is under way. We received an application which we will review. A decision will be made in the best interests of that industry in Canada.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I regret having to ask a specific question to the Minister of Canadian Heritage as to whether or not he provided an opinion to the Minister of Industry, since we were told the other day that the minister had to give his opinion.

Given the answer just provided, I have another question. I hope that the minister will take this opportunity to answer my first question.

Since the arrival of American companies would deprive Canadian companies such as Malofilm, Astral and Alliance of revenues in excess of $75 million, will the Minister of Canadian Heritage undertake to ask cabinet to impose a moratorium on any transaction involving foreign film distribution companies in Canada?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is good to have the hon. member back in the House after a few days of consulting her constituents. She should be spending less time on firearms and more time on Investment Canada.

There is a process under way. We have required the investment to be reviewed. It is a process under review. There is no requirement on the government in any way to give the hon. member any information about the particulars of the review of the application under way. We will do so at the time our decision is announced. She will be one of the first to know the results.

* * *

• (1450)

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Canada's High Commission in Sri Lanka has revealed that a shocking one–third of all Sri Lankans travelling to Canada who were stopped for identity checks at the airport had made refugee claims or were refugees in Canada. They are seeking or have

received refugee status by claiming persecution in Sri Lanka but still went back there for vacations.

The minister has been told time and time again the system is being abused. Will the minister also ignore this blatant abuse or will he clamp down on bogus refugees who make a mockery of the Canadian refugee policy?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the commissioner brought no such thing to my attention.

Generally speaking it has occurred where people having made refugee claims and were accepted have travelled. Circumstances do change but I, like the hon. member, do not want any abuse in the system. There are cases of people who upon receiving refugee status immediately travel to the area in which they say they were being persecuted. I do not agree with those individuals for one more moment than he does.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the minister should consult with the Canadian High Commission in Colombo.

Our proposal for reforming the refugee determination system to end widespread abuse was to monitor refugees' travel to determine if they are taking trips back to the country they claim is persecuting them. If they do they are not real refugees and should be removed. We have solid evidence of abuse.

When will the minister implement our proposal to stop this abuse? Will he commit today to investigate each and every bogus claim the high commission has identified?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I know the hon. member is going to Washington to join the other Newts in talking about immigration. I am sure the Americans are waiting with bated breath. What they should be told is the proposals of Reform Party members are quite simple. They really do not like refugees. They do not want refugees. They do not want immigrants.

They want to abolish the IRB. They want to break our ties from the Geneva convention. They want to close the Canadian doors to the world. That is good for the member but it is certainly not good enough for the government.

* * *

SUSTAINABLE DEVELOPMENT

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, I have a question for the Minister of National Resources.

Today at noon a group representing all parties in the House met with the forest industry for a very interesting hour. The subject of sustainable development was raised.

I would like the minister to tell the House to date how the government has addressed the subject of sustainable development.

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, it is fair to say, whether it is fish, forests or other natural resources, the government is committed to their sustainable development.

Let me reassure the hon. member Canada is viewed around the world as the leading nation in terms of sustainable forestry development.

Let me highlight a few of the things we have done as a government: the development of the national forestry accord, the development of criteria and indicators to define sound forestry practices. Our model forest program: there are 10 model forests in Canada that are living laboratories of research and science.

Recently in New York my colleague, the Minister of the Environment, on my behalf and on behalf of this nation led the way in terms of the establishment of an intergovernmental committee on sustainable forestry.

Some hon. members: Hear, hear.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration. After grossly mishandling the case involving an Algerian filmmaker, Ms. Koudil, immigration officials are now denying visitors' visas to three Algerian actors, Benguettaf, Ayad and El–Kalaa, who were to perform in a play denouncing the rise of fundamentalism in Algeria as part of the Theatre Festival of the Americas in Montreal.

• (1455)

Does the minister intend to move quickly to issue visitors' visas to the three Algerian actors, so that a repeat of the Algerian filmmaker fiasco can be avoided?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member knows or should know I do not believe it is wise for ministerial interventions ad nauseam at the visitor visa level.

There are a million applications around the world. Your leader was the ambassador to France.

The Speaker: I ask the hon. minister to please invoke the chair.

Mr. Marchi: The Leader of the Opposition was at one point the ambassador to France. There were a number of applications made under his tenure. Some were refused and some were accepted. Individuals refused have every opportunity, if the member checks with his leader, to put in a new application.

With respect to the film maker, there was not a policy of favouritism; there was a policy of fairness. The film maker made a new application and convinced the visa officer her application was justified.

If these three individuals have some complaint or there is misinformation then the process is very transparent and very simple. They are to come forward once again and make a new application without political intervention, whether by this member or this minister.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, are we to understand from the minister's answer that he does not intend to budge and that only a general outcry in Quebec, as occurred in the case of the Algerian filmmaker, can spur him to action?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, this is the kind of game that does a disservice to the very portfolio the member tries to protect.

The member just said unless you change there will be pressure mounted to make the system change. I ask the member, who came to this country as a political refugee claimant, whether he wants a system amenable simply by pressure and tactics of a community, wherever they are, or does he believe there ought to be a system in place that allows for applications to be made and if there is a negative determination for the applicant to make another application?

Does the member know that under the Immigration Act I do not have the power or the authority to overturn a visitor visa application? The member ought to know that and play by the rules rather than create special rules for some people.

* * *

CANADA HEALTH ACT

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, Keith Banting, a social policy expert, said: "This government's fiscal policies are eroding the Canada Health Act by stealth". These harsh words join a chorus who agree with Reform: Tom Courchesne, the Canadian Medical Association and others.

Will the government openly table changes to the Canada Health Act to preserve medicare?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Minister of Finance and the Prime Minister said we do not intend to present changes to the Canada Health Act as such. There is clarification in the budget, but the principles of the Canada Health Act are there very definitely.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, Canadians were asked last week whether they think health care is affordable. Ninety per cent said they think health care will deal with fewer services in the future than now. Even the Prime Minister said medicare must return to basics.

Reformers say let us make these changes in the open with consultation rather than by default and with stealth.

Again, will the Prime Minister open the Canada Health Act to open review?

• (1500)

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, this government said in the budget and the Minister of Finance has said repeatedly that the Canada Health Act is not negotiable.

The hon. member is discussing funding of medicare. We know that many reputable studies have now shown that we spend more as a percentage of our GDP for health care than most other nations with systems of medicare like ours. We can manage our system better and we can make a better system, a more efficient and a more affordable system, by looking at health care renewal in terms of management changes, in terms of moving from acute care to community care, in terms of looking at technology assessment, assessing outcomes and guidelines for care. We can save a great deal of money and provide a better system of health care.

* * *

GASOLINE PRICES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is for the Minister of Industry.

An Ottawa gasoline retailer, Mr. Gas, has admitted that communications between gasoline retailers are common in the industry when setting prices. We have seen six increases in gasoline prices in less than year, all uniform across Canada and uniform from company to company, with no justification, resulting in a 25 per cent increase to consumers and accusations of price fixing.

The minister in the House last Friday said in response to my question: "When the prices are the same it is consistent with both competition and price fixing, so how do you know which it is?"

Given this Liberal government confusion and the admission by the company, Mr. Gas, will the minister now roll back prices until an inquiry can be held on gas prices to determine if price fixing is taking place or to have oil companies justify these increases? Failing a rollback, will he at least hold a price inquiry?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, of course it would be inappropriate to comment on the circumstances of a case that is before the courts at the present time.

What I do make clear again to the member is that first, as he knows, the government does not have the power to roll back prices. Second, I believe the most effective way to ensure the lowest possible prices is through real and sustained competition.

The purpose of the Competition Act is to achieve real competition. The director endeavours to enforce that. But we do live in a system of law, and it does require proof when somebody alleges an offence.

It is easy for the hon. member to stand in the House of Commons and say: "Look, the prices are all the same; there is an offence". I suggest to him that it is somewhat more challenging to get a conviction in the courts. I prefer to see people convicted in the courts on the basis of evidence.

* * *

[*Translation*]

QUESTION OF PRIVILEGE

ORAL QUESTION PERIOD

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, a moment ago, I asked the Minister of Citizenship and Immigration a question concerning visitors' visas for three Algerian actors. I feel that the minister attacked me in his answer by improperly mentioning my status as a political refugee.

True, I came here 21 years ago and settled in Quebec but today I have the same rights as any other citizen or any other member of the House of Commons, and I find it unacceptable that the Minister of Citizenship and Immigration—

• (1505)

The Speaker: Dear colleagues, I think that this is not a question of privilege but a matter for debate. As you know, during Question Period and during debates, we sometimes use very strong words, but I hope that all our colleagues in the House will choose their words wisely during debates.

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me respond to the member and his colleagues.

When I referred to the individual having come to Canada and been given refugee status, in the same way my family came to this country in 1958—

An hon. member: But they knew they were coming to Canada; there is a difference.

Mr. Marchi: —I was trying to infer that there is a process in train that we ought to respect, and not a process that can be changed simply like a faucet, depending on the day or on the pressure. That is the point I was trying to make.

The Speaker: I would like to close this matter and go to Routine Proceedings.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to seven petitions.

* * *

INTERPARLIAMENTARY DELEGATIONS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canada–Europe Parliamentary Association to the Council of Europe committee on economic affairs and development session on the European Bank for Reconstruction and Development, held in London, United Kingdom, from February 18 to February 21, 1995.

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[*Translation*]

COMMITTEES OF THE HOUSE

TRANSPORT

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I have the honour to present to the House, in both official languages, the third report of the Standing Committee on Transport, entitled "A National Marine Strategy".

[*English*]

In February and March of this year the committee travelled to 10 cities and heard over 85 hours of testimony.

I am proud to present the fruit of these labours contained herein, and wish to thank the members and staff of my committee for their dedication and hard work and the over 170 individuals and organizations whose efforts and contributions made this report possible.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, I just want to add that the Bloc

Quebecois will be appending to this report of the Standing Committee on Transport a rather elaborate dissenting report, which is at least one third as thick as the report presented by the Liberal majority.

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MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, I would like to ask for unanimous consent to withdraw private member's Bill C–236.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

(Bill withdrawn.)

* * *

[*English*]

PETITIONS

GUN CONTROL

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present today, in the name of a number of Saskatoon residents who describe themselves as ordinary, law–abiding citizens, a petition pointing out that some 1,400 Canadians die of gunshot wounds each year and that both legally owned and stolen firearms contribute to such fatalities.

The petitioners urge the Government of Canada to pass Bill C–68 as soon as possible.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I have a petition from 180 Canadians, from the provinces of Quebec and Saskatchewan, who note that Canadian citizens are opposed to more restrictions and prohibitions on legal firearms. They note the 1993 auditor general's report indicated that many firearms regulations were brought in as a matter of public policy with no regard to future effectiveness or potential benefits.

• (1510)

Therefore, the petitioners call upon Parliament not to enact further firearms control legislation, regulations or orders in council.

[*Translation*]

CAPITAL GAINS EXEMPTION

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, pursuant to Standing Order 36, I would like to table a petition on behalf of residents of my riding. The petition reads: We, the undersigned residents of the Province of Quebec, wish to call the attention of Parliament to the following: that the government should be made aware of the unfair treatment of seniors in implementing the elimination of the capital gains exemption. The fictitious capital gain which must be reported this year will count as a real gain, thereby forcing thousands of seniors who cannot afford to do so to pay back to the federal government their old age security benefits.

Therefore, your petitioners humbly pray Parliament to ask the government not to consider as real the fictitious gain made by taxpayers who chose to protect, in 1994, the capital gains exemption they had been entitled to until then.

[*English*]

CANADIAN EMERGENCY PREPAREDNESS COLLEGE

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I have several hundred names on a petition. These Canadians note that the Canadian Emergency Preparedness College in Arnprior, Ontario, provides training in several aspects of emergency preparedness, including earthquakes, hurricanes, forest fires, civil disobedience, railway accidents, floods, et cetera.

The petitioners request that Parliament recognize that the Canadian Emergency Preparedness College is essential to training Canadians for emergency situations and that the facility should stay in Arnprior, as promised by the government, in order to provide the necessary training to Canadians past and present.

CRTC

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, the petitioners believe that unnecessary violence and abuse in all of their forms—be they verbal, physical, or other—in society in general and on radio and television have become major concerns in Canadian society. They also believe that abuse and violence are not necessary to inform or to entertain.

The petitioners want government to ensure the CRTC regulates abuse and violence in all of their forms in all of the media. The petitioners also applaud some of the recent progress made in this area.

EUTHANASIA

Mr. Fred Mifflin (Bonavista—Trinity—Conception, Lib.): Mr. Speaker, I rise to present a petition from my constituents from Badger's Quay, Lumsden, Templeman, Brookfield and Wesleyville. There are 57 of them.

They note that the majority of Canadians are law–abiding citizens who respect the law. They further note that the majority of Canadians respect the sanctity of human life and that the majority of Canadians believe that physicians in Canada should be working to save lives, not to end them.

They are asking that Parliament make no change in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

TAXATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have four petitions to present today on behalf of the residents of Simcoe Centre.

The first petition deals with the subject of fiscally responsible government. The petitioners request that Parliament reduce government spending instead of increasing taxes, since Canadians are already overburdened with taxation due to high government spending.

ALCOHOL

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition concerns the use of a legal defence that has become known as the drunk defence.

The petitioners believe that in committing the act of choosing to consume alcohol the individual must accept all responsibilities for their actions while under the influence, and I certainly agree.

ABORTION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition is on the subject of abortion.

The petitioners request that Parliament reconsider amendments to the Criminal Code to extend protection to the unborn child.

EUTHANASIA

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the final petition is on the subject of euthanasia.

The petitioners request that Parliament not sanction or allow the aiding or abetting of suicide or euthanasia.

GUN CONTROL

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I have one petition to present today.

The petitioners believe that public safety is the number one priority of the criminal justice system. They believe the existing firearms regulations are more than enough to ensure public safety.

They are requesting that Parliament do three things: first, support laws that will severely punish all violent criminals who use weapons in the commission of crime; second, support new Criminal Code firearm control provisions that recognize and protect the right of law–abiding citizens to own and use recreational firearms; and, third, support legislation that will repeal and modify existing gun control laws, which have not improved public safety or have proven not to be cost effective or have proven to be overly complex so as to be ineffective and/or unenforceable.

• (1515)

HUMAN RIGHTS

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I have four petitions to present to the House today.

The first petition is from a group within my constituency. It contains 25 signatures, mostly from residents of the Colony Farm facility. The petitioners call upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

In contrast to that, I have three more petitions, one with 2,200 signatures, one with 225 signatures and one with 400 signatures from Canadians across the country.

The petitioners call upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation. I certainly concur with this petition.

GUN CONTROL

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I have a petition from the citizens of Leeds—Grenville who request that the current proposed federal gun control measures be withdrawn and that they be replaced with measures which deal directly with criminal offenders.

HUMAN RIGHTS

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I have a second petition from the citizens of my riding who request that Parliament not amend the human rights code, the Canadian Human Rights Act, or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships.

BREAST CANCER

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I have a number of petitions on the same subject, with thousands of signatures. These petitions deal with the serious health issue of breast cancer to which about 5,400 Canadian women lose their lives each year and another 17,000 are diagnosed.

The petitioners call upon Parliament to urge the government to work with the provinces and the territories to designate one existing cancer research centre per region in Canada. They also call upon Parliament to take action to establish a toll free number for information, support and public awareness of the disease. Finally, they call upon Parliament to urge the government to begin consultations with the provinces and territories to establish the parameters for a national registry of drugs, medical devices implanted in the body, and various forms of biotechnologies.

CUBA

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I rise to present a petition on behalf of the Reverend Sharon Copeman and 40 residents of North Vancouver who are members of the United Church of Canada.

The petitioners state that in 1994 the 35th general council of the United Church commended the federal government for resuming aid to Cuba and urged the government to continue its efforts to normalize relations between Cuba and its neighbours and strongly urged the removal of U.S. blockades.

They ask members of Parliament and the government to sponsor a joint resolution with the Senate of Canada urging the Government of the United States to lift the blockade against Cuba which causes undue suffering for the people of Cuba.

TAXATION

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition which has been signed by 48 Canadians.

Part of their request is that the government not overburden Canadians with higher taxation. I believe this was signed prior to the budget and it may not be relevant because taxes did increase. However, there is a portion which is relevant, which states that the petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

ASSISTED SUICIDE

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, pursuant to Standing Order 36 I am honoured to present a petition on behalf of a number of constituents, organized by Lilly Lewis.

These petitioners request that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Not only am I pleased to present this petition, I endorse it as well.

FIREARMS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, it is my honour to present a petition today on behalf of residents of Blue River, Avola, Birch Island, Clearwater, Barrière, Darfield, Little Fort and Peneplain Lake.

The petitioners oppose Bill C–68, the bill referring to firearms legislation, and suggest that registration will do virtually nothing to limit the number of people who will be killed by firearms in the future.

I support the petition.

DANGEROUS OFFENDERS

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I have a second petition from citizens of the same communities.

This petition indicates that Canadians are becoming increasingly fearful of walking on the streets in their neighbourhoods. They believe that many convicted violent and sex offenders are being paroled prematurely. The petitioners simply ask the House of Commons and the Minister of Justice to take whatever steps are necessary to amend Canada's Criminal Code and parole system to ensure safety and peace in our neighbourhoods.

• (1520)

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Pursuant to Standing Order 36, I wish to present a petition that has been circulating across Canada. The petition comes from the Calgary, Alberta, area.

The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

The petitioners also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill or the aged. The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide direct parental care for preschool children, the disabled, the chronically ill or the aged.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

[*English*]

MOTIONS FOR PAPERS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that the Notices of Motions for the Production of Papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Translation*]

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S–9, an act to amend the Canada–United States Tax Convention Act, 1984, to which the concurrence of this House is desired.

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed from May 1, 1995, consideration of the motion that Bill C–43, an Act to amend the Lobbyists Registration Act and to make related amendments to other Acts, be read the third time and passed.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I welcome the opportunity to speak in this debate on Bill C–43 which concerns the registration of lobbyists.

The recent publication of the committee report on Bill C–43 has shown once again that the Liberal Government and the Bloc Quebecois have widely differing views of the work of lobbyists and the framework that should regulate their activities.

My first comment, and I realize Mr. Speaker, that I cannot show it because it is against the rules of this House, but I would nevertheless like to say that the colour of the document does not necessarily reflect the title, which is about restoring confidence, since the document in question is red. I would even call it a Liberal red.

My second comment is that although this red document comes after a Liberal red book we saw during the election campaign, it is pretty obvious that this version is quite different from what we read in the initial red book.

Lately this government has shown, by its conduct, that it has decided to govern under pressure from lobbies hired by large corporations and financial interests instead of governing in the best interests of the people of this country. Recent excesses in this respect by the Liberal government occurred in the matter involving the CRTC and Power DirecTv, a subsidiary of Power Corporation headed by none other than the Prime Minister's son–in–law.

Let us see how the government managed to discredit itself in this affair. Everything started in the spring of 1993, when the CRTC indicated that it wanted to encourage the development of a Canadian industry involved in direct–to–home services by satellite, the so–called DTH. Last August, the Expressvu consortium, a competitor of Power DirecTv, obtained an exemption from licensing, allowing it to offer DTH to future subscribers.

• (1525)

The CRTC granted this exemption because Expressvu intended to use one or more Canadian satellites. Power Corporation planned to use the satellites and programming used by its American associate, DirecTv Inc. That is why Power's subsidiary did not qualify for an exemption from licensing by the CRTC.

Unfortunately for Expressvu, Power DirecTv had a direct line to the Prime Minister. Recently, the Liberal government tabled two orders obliging all DTH companies to obtain a licence—orders that were tailored to meet the demands of Power DirecTv. These orders had the effect of taking the advantage away from Expressvu, a consortium that, unlike Power, had decided to offer its subscribers Canadian content.

I may recall that Expressvu planned to begin operations on September 1 this year. By taking this unprecedented action, the Liberal government blithely ignored the independence of a regulatory agency that also has quasi–judicial powers to enforce legislation and regulations pertaining to telecommunications.

This was a serious decision. In the process the Government of Canada adopted a measure that will take effect retroactively and thus have a negative impact on a Canadian corporation—a procedure that flies in the face of all the traditions of democratic countries. Furthermore, the government is sending a message to the entire DTH industry that it no longer intends to support the development of a Canadian industry.

If the legislation applied by the CRTC no longer serves to ensure the development of the Canadian communications industry, what purpose does it serve? The government must stop hiding and must make public its intentions—if indeed the legislation serves no purpose.

The worst part of all this is that it occurred because the president of Power Corporation had the good fortune—and there is no mistake there—to marry the daughter of the Prime Minister. The ties between Power Corporation and the Liberals do not stop there, as I will demonstrate.

Here are a few examples. The current president of Power DirecTv, Joel Bell, was Pierre Trudeau's economic adviser and was designated by him to launch Investment Canada. The president of Power Corporation, as the head of the China–Canada business council, organized the economic part of last November's trip by the Prime Minister and Team Canada to Asia. Former Prime Minister Trudeau continues to sit on the international board of Power Corporation.

In addition to being the Prime Minister's son–in–law, André Desmarais was his assistant in the early 1980s when he was Minister of Justice. John Rae, vice–president of Power Corporation, directed two leadership campaigns for the current Prime Minister and the 1993 federal election campaign for the Liberals, and so on and so forth.

The government's shady dealings do not, however, stop at this. While some are well married, others, like the Minister of Canadian Heritage, have, it would seem, the incredible good fortune to find themselves at the site of one of the most spectacular financial deals of the century, claiming all the while that they were not involved. This story does not lack for interest either. It could even be made into an excellent sitcom with the film and television talents of our neighbours, the Americans.

A journalist with the *Journal de Montréal* even wrote last week that the Minister of Canadian Heritage, like the hero of the film *Forrest Gump*, has the ability to be involved almost incognito in the major events of his time.

Here are the facts. Three weeks ago, Edgar Bronfman Junior, an American citizen, and Seagram announced the acquisition of the American cinematographic giant MCA—a multi–billion dollar deal. This announcement was made in a hotel in Los Angeles. Well, surprise, surprise, the Minister of Canadian Heritage just happened to be in the room next door.

No problem up to this point, at least no apparent one. It must be said, however, that MCA owns 20 per cent of the shares of Cineplex, a Canadian company controlled by another branch of the Bronfman family. And it must be said that MCA wants to make off with Cineplex by amalgamating with Dallas–based Cinemark USA Inc.

• (1530)

Yet, the presence of the Minister of Canadian Heritage in Los Angeles got me thinking. In fact, it appears that Edgar Bronfman Junior's attempt to convince the federal government that MCA is a Canadian company is working. He hopes that this will permit him to escape Investment Canada's scrutiny.

Need I remind you that the government's official policy is that companies dealing in cultural goods must be controlled by Canadian interests, which explains why Mr. Bronfman is trying to put on a Canadian identity.

After the astonishing performance of the Minister of Canadian Heritage in California, Mr. Bronfman will certainly gain what he set out to gain by bringing the minister to Los Angeles in the first place. It should come as no surprise then that the population is becoming increasingly put off, especially young people. I would like to take this opportunity to point out that I am the official opposition's youth critic. My meetings and discussions with young people have made it clear to me just how much they have lost trust in the political machine. Hardly surprising, given the topic of discussion over the past few weeks.

Along the same lines, there was the Pearson airport scandal over the previous government's privatization proposal. The Nixon report, a report regarding the privatization contract which was signed when the election campaign was in full swing, was handed to the Liberal government on November 29, 1993.

This report incriminated beyond a doubt the lobbyists, public servants and political assistants involved. There are several questions which remain to be answered regarding the identity of unethical lobbyists and the illegal or illegitimate conduct of public servants and political assistants in this case. Up to now, the government has preferred to turn a blind eye and to be closemouthed about the information contained in the report, even though these grim events compromise the credibility of our democratic institutions. The demands of the Bloc Quebecois to have the government shed some light on this pitiful remnant of the Conservative era have fallen on deaf ears, up to now.

Of course, the government will claim that it appointed an ethics counsellor to navigate the murky waters of its contacts with lobbyists. Unfortunately, when the heritage minister once again tripped up by writing to the CRTC, which comes under his authority, a letter supporting the licence application of one of his constituents, it took the Prime Minister three weeks to consult his ethics counsellor on this most sensitive issue.

By waiting so long, the Prime Minister himself proved how little importance he attached to his own ethics counsellor. Furthermore, he refused to reveal to the House the gist of the ethics counsellor's recommendations. Such lack of transparency can only lead people to believe that the government has something to hide. The Bloc Quebecois reviewed Bill C–43, an act aimed at monitoring the activities of lobbyists, in all good faith. A strong piece of legislation is essential to help our democratic institutions deal with the wave of public scepticism surrounding the affairs of government.

Even if Bill C–43 brings about some improvements in the somewhat incestuous relationship existing between elected officials and lobbyists, they fall short of the Liberals' commitments as stated in their own red book, the first one, the campaign one.

According to the ethics counsellor appointed by the Prime Minister, even if Bill C–43 had been in force at the time, it would not have helped Canadians to learn more about the troubling events surrounding the attempted privatization of Pearson airport.

The Bloc Quebecois presented interesting proposals giving more teeth to the bill in order to make the process more transparent and to restore public confidence in the management of the affairs of government. The issue of monitoring lobbyists should not be the sole responsibility of a political party, a Prime minister, or a government, because it belongs to an essential

democratic institution, the House of Commons, which is made up of representatives duly elected by the people.

• (1535)

That is why the Bloc Quebecois is proposing that the ethics counsellor be appointed for seven years by Parliament rather than by the party in power. This ethics counsellor, whose appointment is permanent, should be accountable to Parliament and should also have the authority to conduct public inquiries and report on his activities, findings, conclusions and reasons for his conclusions to the House of Commons.

In short, the ethics counsellor should be more than a toothless watchdog serving his political masters and therefore vulnerable to pressure. The Bloc Quebecois also asked that all classes of lobbyists be merged into a single one. We also asked that all lobbyists be subject to the same information disclosure rules.

This recommendation shows the constructive, non–partisan spirit that guided the Bloc Quebecois in its consideration of Bill C–43. In fact, this recommendation can be found in the June 1993 Holtmann report, which is the basis for the Liberal commitments regarding the use of lobbyists and the disclosure of their activities. That is why we, in the Bloc Quebecois, do not understand the Liberals' refusal to implement this recommendation, which is included in their red book.

The strict disclosure provisions proposed in the Holtmann report would allow the population to find out quickly about a lobbyist's status. Since lobbyists try to influence public policy to further private interests, their activities and identities should be disclosed to the public.

I would now like to address the issue of lobbyists' contracts. This bill exempts in–house corporate lobbyists from reporting information on their contracts, although consultant lobbyists are required to report this information. Again, legislators should learn from the aborted attempt to privatize Pearson airport. If the bill is adopted without changes, businesses may be tempted to hire only in–house corporate lobbyists for megaprojects such as the privatization of Pearson airport.

Greater transparency in that regard would certainly be to their advantage, as it would put an end to biases against them as well as sometimes questionable speculations about their income. I would like to say, however, that the purpose of a lobbyists registration act is not to regulate the profession, although Parliament has the right, and even the duty, to supervise the functioning of the public administration that lobbyists try to influence.

The close ties connecting a large number of lobbyists to public officials, politicians and their political staff in the Pearson airport affair demonstrated the magnitude of the problem. Yet, the press was not allowed to disclose the troubling facts surrounding the Pearson airport deal to the general public until the privatization process was over. This sorry affair, which had repercussions on taxpayers, could have been avoided had legislation been in place to prevent the kind of uncontrolled skids that have sullied this privatization attempt.

It is therefore reasonable that those who seek to influence the actions of an administration should also be subject to public scrutiny. Let us be clear on one thing: in a democracy, it is normal for organizations, businesses and lobbies to solicit support from the elected representatives of the people. This is totally legitimate. What is unacceptable, however, is that individuals and businesses who can afford to do so get tax deductions for their lobbying expenses. This has the effect of disadvantaging even more those organizations which cannot afford to counteract the pressure brought to bear by businesses that can afford to hire lobbyists.

That is why we recommend that tax deductions for lobbying fees be abolished. Also missing in Bill C–43 is a provision forbidding lobbyists from circumventing the act. Here again, that provision was included in the Holtmann report which the Liberals appreciated so much when it was tabled.

• (1540)

The government should, if its commitments are sincere, include a clause to prevent avoidance of the law. Secret rules between lobbyists and public office holders are another problem. They contribute to the mistrust of Canadians toward elected representatives. That is why we ask the government to give the status of statutory instrument to the code of conduct of public office holders.

This debate is an opportunity for the Liberal government to demonstrate to the public that it really wants more openness in the dealings of lobbyists with the federal government. The recommendations of the Bloc are not meant to promote the image of a specific political party. They would be a great service rendered to all politicians in this House and to other public office holders.

This whole issue is too important to be left to partisan debate. It is the price we have to pay to restore public trust in our democratic institutions. Another great means to restore that trust would be to pass legislation on political party fundraising. That would contribute to renewed confidence in the operation of the House of Commons.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I congratulate the hon. member for understanding so well the issues involved in this very important legislation, Bill C–43.

During the election campaign, the Liberals came up with their famous red book. We heard a lot about it, since that document

included all the election promises which the Liberals were supposedly going to implement if elected.

The Liberals are now in office. In their red book, they pledged to implement the recommendations of the Holtmann report. That report was drafted by a parliamentary committee which specifically looked at the issue of lobbying. The recommendations made in the Holtmann report went very far as regards different tiers of lobbyists, as well as disclosure.

A number of witnesses appeared before the current committee, the Zed committee, which tabled a report which is another red book. Red books keep coming out, but they are not all the same. This one contradicts the election promises made, since it does not go as far as the Holtmann report recommended.

The government seems to be trying to create some confusion in this regard and I would like the hon. member to tell me one thing. The Liberal government is claiming to go farther than the Holtmann report, for example with the appointment of an ethics counsellor. Is that not terrific, Mr. Speaker? However, if you take a closer look, you realize that the ethics counsellor is really just a puppet controlled by the Prime Minister. Indeed, that person is appointed by the Prime Minister and will first report to the Prime Minister, behind closed doors. We, members of the official opposition, will know little about the counsellor's work, in terms of the analysis, research, inquiry and investigation conducted.

The member referred to two very important issues, namely the whole episode involving the Minister of Canadian Heritage and his secret visit to the United States on behalf of friends of the government, as well as the Pearson saga, which also benefited friends of the government. Whether the government is Liberal or Conservative, the result is invariably the same: the rich benefit at the expense of the poor.

My question is this: If the ethics counsellor were appointed by Parliament and accountable to it, to us elected members, would it help reach the objective of Bill C–43, which is to promote transparency? I wonder if the hon. member could elaborate.

• (1545)

The Deputy Speaker: Before giving the floor to the hon. member for Lévis, I should explain that, generally speaking, the Chair seeks to recognize a member from another party to let him or her ask a question, rather than giving the floor to another member from the same party.

Mr. Dubé: Mr. Speaker, we cannot refer to the absence of hon. members in this House, but you are right to point out that, since there are no Liberal members to ask me questions, a question was put to me by our own critic. This is a little unusual, since we are having a debate today. To have a debate, it usually takes two opposing sides to present the pros and cons of a bill. This is the way it has always been since Greek Antiquity, since the beginning of democracy. True democracy began with debates.

Today, I was able to speak to this bill a little earlier than expected because no member of the Liberal Party wished to speak. And now, after my speech, I have one hon. member from our own side of the House asking me questions. This is a bit surprising.

I would like to take this opportunity to congratulate the hon. member for Berthier—Montcalm for the really remarkable job he has done on this issue.

Some hon. members: Hear, hear.

Mr. Dubé: He wrote the dissenting opinion himself and his document was very carefully thought out. I think what he did was very important—and I am not saying that just to flatter him—but, thanks to his work, we can condemn the Liberal government for taking too much time, in my opinion, to fulfil a promise it made.

Let me come back to the specific question that was put to me: should the ethics counsellor be accountable to the House? I think it would not set a precedent since, as you and I know, Mr. Speaker, the auditor general reports to the House on financial matters relating to the operation of the government. Why should it be different when we deal with ethics, a more technical aspect of the operation of the machinery of government? If there is one thing that can help us restore trust, as proposed in the document, it is the kind of proposal made by the hon. member for Berthier—Montcalm, which would help to improve government operations and especially restore trust.

You may wonder why a sovereignist who expects to take part in a referendum on Quebec's sovereignty would make recommendations which could apply for the next seven years. This just shows you the non–partisan way the Bloc Quebecois is speaking to this bill. We even said to Canada, our future neighbours—because we do like English Canadians—that we all ought to do a really good job in this instance, so that we can pass on to our future neighbours a House of Commons and a machinery of government that are truly open and honest.

Some hon. members: Hear, hear.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I appreciate the opportunity to speak on this bill today.

I listened carefully to the hon. member from the Bloc. When he started talking about the non–partisan way that the Bloc was speaking to the bill, I thought I might have to leave the room for fear that lightning would strike through the ceiling at any time. However we are far enough apart that perhaps it would not have affected me.

I spoke to some amendments to this bill a short time ago and outlined some of the things I felt the bill lacked. The Liberal red book made a promise on which all Liberals ran in the election. That promise basically said that a Liberal government wanted most desperately to return integrity to our political institution and that such integrity had to be restored.

• (1550)

That is a heck of a statement and it played well with many Canadians. Canadians had lost much confidence and trust in the way government did business. Canada was in a very sorry state. I know I felt apathy from the electors in my election campaign. The most common comment I heard was: "Listen, I hear what you are saying, but politicians are all the same. Once you get there it is a different world. The deals are made behind closed doors. Going there with a noble cause like Don Quixote is not going to do any good because there is no integrity left in that place in Ottawa".

At the same time the Liberals were saying: "We are going there and if we form the government, we are going to restore integrity".

When Bill C–43, an act to control the activities of lobbyists and people that are influenced by lobbyists first became available my first reaction was that the Liberals were to do something. They were to put some visibility into how lobbyists operate within the confines of ministerial and government offices with all bureaucrats alike.

When I picked up the bill and started reading I had great expectations. I thought that finally the Liberals would fulfil a promise of the red book. I almost said blue book because we have made that same promise. When we become the government next time and address the subject of lobbyists, we will do something far better than Bill C–43.

I looked for things like the establishment of an ethics counsellor. This was a tremendous step. Then I started reading about how the ethics counsellor was to be established and was very surprised to see that the counsellor who was to look into the activities of all members of Parliament—Liberal, Bloc, Reform Party and Independents—was to be chosen and appointed not by the members of Parliament, as one would expect for an independent person, but by the Prime Minister.

I said to myself: "This really doesn't sound right. My understanding of an ethics counsellor, who looks after the dealings of Parliament, the people that work in government, should be someone who would come before the entire House of Commons, present his or her credentials and have the approval of Parliament as a whole". This is not the case.

We have an ethics counsellor who is appointed by the Prime Minister. I do not know but perhaps he is a Liberal. The Prime Minister said it is hard to find anyone in the country who is not a Liberal any more because so many people voted for the Liberal Party. Therefore one has to assume this independent ethics counsellor could possibly be a Liberal.

I also looked for comfort in the ethics counsellor. Once I found that he would not be independent I looked for some comfort. I thought: "Even though he was chosen by the Prime Minister, perhaps he may have to report to Parliament". I read the bill looking for these key phrases and I found that he does not have to report to Parliament. He reports directly back to the very person who appointed him in the first place. I thought: "This doesn't sound like an independent ethics counsellor". I was really let down from my great expectations of at least restoring some integrity and honesty to the government and to the way things are done in the House.

One of my colleagues put together an amendment that would bring the ethics counsellor into a true position of independence. The amendment said basically that the ethics counsellor would be approved by Parliament as a whole. The ethics counsellor would create a code of ethics under which lobbyists and government people alike would have to operate. The ethics counsellor would also have to report to Parliament. I thought this was a good amendment.

• (1555)

My hon. colleague spent a lot of time working on this amendment. I was very surprised to see it defeated by the Liberal government, the same government that in the red book said it wanted to return some integrity to government. If its promises could be believed why would it reject an amendment that really created a truly independent ethics counsellor?

I read on a little further and I realized that it was almost like when my wife sets out to make bread. If she uses all the other ingredients but forgets to put some yeast in the dough, we do not have much of a loaf of bread by the time it is cooked. It is very flat. That is what has happened to this bill. It has no yeast in it. It does not have the essential ingredients that will send a clear message to the people of Canada and to the members of other parties that the Liberal government is serious about returning integrity and honesty to government.

When I spoke last week I said, and I may have surprised some of my colleagues, that I do not have too much of a problem personally with the job lobbyists do around here. I know what the game is all about. They are basically marketing people who come to Ottawa on behalf of companies or special interest groups to try to sell their client's point of view to government. It is a job. If they do it well they are very successful. I do not have any problem with someone making a living in the marketing business, lobbyist or otherwise.

I really do have a problem with people in government who are in positions of trust, in positions of power, in positions of influence and how they react to lobbyists. In my opinion it is not so much the lobbyists that the ethnics counsellor should be

concerned with. He or she should be concerned with the people in government.

Without the structure in place, without the independence that the ethics counsellor could freely operate under, basically that person's hands are tied. There is no way that person is going to have independence when it is a personal appointment by the Prime Minister, where the position is not approved by the House of Commons as a whole and where the ethics counsellor would not have to report back to Parliament.

Some instances have come up during this Parliament, some most recently where an independent ethics counsellor could answer questions that are on the minds of the Canadian people. I would like to talk about two of the most recent ones which just came to light the other day about the grant to the port of Belledune.

About two weeks ago the Minister of Transport said to the press very plainly that there would be not one red cent of government grant money going to the port of Belledune as long as he was the Minister of Transport. He said: "I wouldn't even give a dime in grant money for the port of Saint John". That was two weeks ago.

A couple of days ago we found that in fact the Minister of Transport from his own department is granting about $4.5 million to this port project and another $1.5 million is apparently coming from some other department. In that two–week period something happened to facilitate this complete turnaround in the mind of the Minister of Transport. What was that? I suggest someone possibly lobbied the Minister of Transport. When a minister of his stature does a complete turn around in two weeks, I am sure there are a lot of people in the maritimes wondering what happened; he said one thing and then two weeks later said another thing, totally opposite.

• (1600)

That question in the minds of Canadians and in the minds of a lot of members could be answered if we had a true ethics counsellor who represented all members of Parliament. He would be independent to look at that.

As a private member I could go to the ethics counsellor and present a written inquiry: "I am concerned about this. Why did the Minister of Transport say two weeks ago he would give no grant money and then two weeks later he said he would, to the tune of $6 million?"

This is a small amount compared with some others. We can talk about the highways project involving the minister of public works. It appears there was some backroom dealing and now the minister of public works is being questioned about possibly influencing the diversion of some funds allotted to one project over another area of the province. These are questions people of New Brunswick and Nova Scotia have. They are asking: "What happened here? The minister of public works said one thing and now he does another thing".

If we had an independent ethics counsellor then private members from all parties in the House would have the freedom to receive inquiries from everywhere in Canada about what government bureaucracy is doing, what ministers are doing, what any other representative of the government is doing with tax dollars, why they are making these decisions. We do not have that freedom now. If integrity, honesty and visibility are ever to be restored to the House then we must have it.

Some parts of the bill I thought were reasonably positive; the part which increases the disclosure requirements for lobbyists, especially to tier two in–house lobbyist. As I have said before, I do not have as much of a problem with lobbyists as some of my colleagues have. I have more problem with the government, but that is a positive.

The bill talks about lobbyists whose clients are coalitions and will have disclose the membership of the coalition. Finally the Canadian people should have the opportunity to see what special interest groups are lobbying the government for special favours or more money.

The bill will add government funding and the subject matter of lobbying proposal to disclosure requirements. That is a good part of the bill. It extends the statute of limitations for investigations from six months to two years. Those are all good things.

All of the good parts of the bill are negated because there is no independence in any type of inquiry that could result from an incident. I listed the positives and I used a very short part of the page to list the negatives. Surprisingly enough it was quite a bit longer. I am sure my colleagues came up with the same results.

I want to talk about some of the negatives. This bill classifies lobbyists not on what they do but whom they work for. Lobbyists should be defined by their activities, not their employers. Who employs them is really of no consequence. The focus should be on what they are doing on the Hill.

In our opinion all professional lobbyists should be treated the same. The red book promises recommendations from the 1992 unanimous Holtmann report would be implemented by the Liberal government. Removal of the tiers was an explicit Holtmann report recommendation. This has not been done.

• (1605)

A lobbyist is defined as someone who lobbies as a significant part of their duties. John Turner, who may only lobby two or three times a year, can make the case that this is not a significant part of his duties, but what he does may have a significant

impact on government. He may be able to have a significant impact on decision making.

We have many cases in which questions have arisen in the House about the activities of government which simply cannot be answered because we do not have a mechanism by which to have an independent inquiry into those questions. Recently we have talked about the direct to home satellite episode. We have talked, as we did today in the House, about the Seagram episode. We have talked about the Pearson episode and now we are having a public inquiry into it. That is good, but a public inquiry may have been averted if we had a position in the House where an independent inquiry could have been made by someone designated by all members of the House.

Probably one of the more questionable policies the government has undertaken is the infamous credit card infrastructure program. We spent day after day as Reformers telling the Canadian people about some of the incredible projects in the infrastructure program. My colleague from Calgary talked about the expensive box seats at the Calgary Saddledome. Could one suspect there was some lobbying done in that instance? What kind of conversations went on behind closed doors? We could even talk about the situation in the Prime Minister's riding of the now infamous canoe hall of fame.

The list goes on and on. One could stand here for a full 20 minutes to bring up circumstances or happenings which have raised questions in the minds of the Canadian people as to how the government does business, why these decisions were made, exactly who were the lobbyists who did the influencing and how much influence they had on government officials who were placed in a position of trust.

There are three words which sum up what Canadian people are looking for in the House not being addressed by this bill: accountability, legitimacy and autonomy: accountability of MPs, ministers and people in positions of trust in government, accountability for their decisions and how they use taxpayers' money, and how they make decisions which influence the society in which we live and the morality of the country; legitimacy in the operation of Parliament. People want to see their members representing them in a responsible and legitimate fashion. With respect to autonomy, I speak of the autonomy of an ethics counsellor. It is imperative to the position. Unfortunately in Bill C–43 these three words and what they mean are missing.

Government members stood on many soapboxes during the campaign and promised the people they were speaking to that a Liberal government would bring honesty, integrity and accountability back to Parliament. If they truly believe Bill C–43 is a step in that direction, they have sadly missed the mark.

I am very disappointed our very commonsensical amendments to the bill were not accepted by the Liberal Party. They were defeated. We will continue to speak about accountability, honesty and integrity in the House until the government gets the message. I hope it does some day.

• (1610)

Reformers like to believe we have brought honesty to Parliament. I cannot support Bill C–43 because the essential ingredients to make it a good bill are simply not there.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I share the view expressed by the member of the third party in this House that, to restore the integrity of our democratic institutions, the government has to stop making empty promises that mislead the public. I think that, as the member mentioned, the commitments made by the Liberal Party in its red book and what it is doing now as a government indicate clearly that, once again, we have a government that is constantly misleading the public with regard to certain commitments it made in the past and to the legislation it is introducing to supposedly honour these commitments.

It is not often that I have a chance to say this, but I agree with some of the things that the member said concerning the legislation itself. I understand that he was surprised to see some things in this bill that appeared to be good at first glance. If there is one thing that this government is to be given credit for, it is its ability to hide almost everything it does behind a smoke screen. It gives the impression that it is doing something, which is fairly important for a government. We have to recognize that it is one of this government's strengths. However, once we get through the smoke screen, we realize immediately that there is absolutely nothing behind it, and that is just awful.

The member mentioned this a few moments ago when he said that he was surprised to find in this bill some elements which seemed good at first glance but which, after a closer look, turned out to be just terrible. One example he gave, and rightly so, is the ethics counsellor. Yes, Mr. Speaker, it is a good thing to have an ethics counsellor. Yes, it is important. Yes, it is important to have investigations. That is what we see in Bill C–43. Yes, it is important to have some kind of report on these investigations. That is what the government is saying. But when we look closely at what is in the bill, we can see that the ethics counsellor is appointed by the Prime Minister, that his investigations are secret and that he will be only required to prepare a report including his findings, his conclusions and the reasons for his conclusions. That is all the proof we are going to have that he has done his job.

If that is not a smoke screen, then I do not know what it is. The Liberals say one thing and do the opposite. They want to be transparent, but there is no transparency in Bill C–43. They want to give credibility to their government, but Bill C–43 will certainly not do the trick. When will they listen to the opposition's demands? This is serious. The official opposition and the

third party moved more than 60 amendments to achieve the desired transparency. Sixty times, the government said no to transparency and no to integrity when we were just trying to help it stick to the promises it made during the election campaign.

I will conclude by asking a question of the hon. member, because I think that he has a very good understanding of the problems with Bill C–43. I now want to get back to the ethics counsellor. Let us suppose that that counsellor is appointed by Parliament and that his or her inquiry report on a specific case, for example the Pearson contract, if it were still an issue, contained not only conclusions, but also the rationale leading to these conclusions. Does the hon. member think that that would give us the transparency that Bill C–43 is supposed to bring to the system?

• (1615)

[*English*]

Mr. Harris: Mr. Speaker, I appreciate the hon. member's concurrence with my remarks.

In order to obtain the integrity of this House and the transparency and the visibility the Canadian people are looking for one has to have a truly independent ethics counsellor.

Perhaps I can give this example. It is almost like two baseball teams playing a game of baseball. If the umpire is chosen by both teams to be independent then it is a fine game. However, if the umpire is chosen by only one team then how can the other team have any confidence that it will be a fair game?

That is what the Canadian people are saying. How do they have any confidence in what is happening in government when all the rules are determined by the Liberal government and the opposition party and the Reform Party do not have input into some very fundamental elements of fairness and integrity in the House?

The Liberals may say they are the government, they have a majority, a majority of the people voted for them. That is fine, but I would like to remind the Liberal Party that there were several million other people in Canada who did not vote for them, and they are looking very closely at what this government is doing. If the Liberal government wants to try to swing their vote the next time, they are looking for the government to give them some message and some reason to vote for them again.

If the Liberal government carries on the way it has been, not fulfilling its promises, even a good majority of its supporters, those who voted for it the last time, will become disillusioned with the fact that the Liberal government has no more intention of delivering visibility in the way it operates than the previous Tory government had.

I hope to remind the Liberal government of what happened to the previous Tory government when it did all its business behind closed doors. That should be a good lesson for this government.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I am pleased that my turn has come to speak to Bill C–43. For those who just arrived and those who, maybe, have just tuned in, I would like to say that Bill C–43 is a bill which the government has tabled to regulate lobbyists on Parliament Hill.

Lobbyists are individuals or associations who represent private interests. There are all kinds of lobbyists. Some represent legitimate associations, such as the Canadian Association of Firefighters, farmers, etc. But there are also more worrisome lobbyists who try to influence the government for the benefit of private interests. Sometimes, these interests do not serve the general public interest, and often represent unjust causes.

This is what the Canadian public is concerned about. We have known for a very long time, maybe a decade or more, that the general public wants lobbying activities to be regulated to make them more transparent, to bring out in the open what exactly it is that lobbyists do. The public is concerned because it knows that the work of lobbyists often leads to abuses of authority. We saw this very recently in a series of troubling cases.

For example, there is the case of the Pearson airport contract. It was mentioned during debate. This was a contract prepared by Conservative and Liberal lobbyists which amounted to hundreds of millions of dollars. We still do not have all the facts on this matter. However, the Conservative Senate decided, today, to appoint a commission of inquiry into this use of lobbying.

• (1620)

There was also a second case, one which clearly shows how lobbying can vary considerably, the case of bovine somatotropin or BST. This substance is a hormone produced by Monsanto, a pharmaceutical company which wants to introduce BST in Canada to increase milk production. Well, the Monsanto lobbyists managed to influence Health Canada, they even bribed Health Canada officials, so much so that, even though the industry disagrees and the population disagrees, Canada will soon have milk produced through the use of BST. This is the result of a disturbing kind of lobbying.

There was also the case of the Minister of Canadian Heritage who tried to exert influence on an agency under his responsibility. He interceded directly on behalf of one of his constituents.

Really, Bill C–43 on lobbying raises questions of fairness, justice and transparency. It has been said over and over again, we want a bill that would really regulate lobbying because we know there were cases of abuse of power and that colossal sums of money can be taken out of the system for the benefit of some special interests.

This is what Canadians are concerned about. As you know, we have a weakened bill here. At first, what was proposed with Bill C–43 was legislation that had teeth, that members of the opposition could have approved.

The government could have presented a bill offering more transparency in such cases. What happened is that lobbyists themselves intervened in the development of this bill to water it down and weaken it to the point that the bill we are dealing with today is no better than the previous act. It is indeed all smoke and mirrors. As far as control and openness with regard to lobbyists is concerned the situation has not really changed, as evidenced by the government's refusal to put into Bill C–43 the provisions we recommended with regard to the ethics counsellor.

Currently, there is an ethics counsellor appointed by the Prime Minister and that he can consult if he wants. But as we know very well, in the instances I just mentioned, despite abuse of power and disturbing cases of lobbying, the Prime Minister did not consult his ethics counsellor. We know it because he admitted it himself.

So, we now have an ethics counsellor, but the House of Commons cannot turn to him, because the Prime Minister has him in his pocket, so to speak.

We would like to see in the bill a clause providing that the ethics counsellor be appointed by the House and report directly to the House. In that way, the ethics counsellor would be independent enough to intervene in the issues and settle them and would be empowered to investigate even if it means bringing proceedings against lobbyists or people abusing their power.

I think that in this case, the essential condition for a strong piece of legislation that has teeth and that will be respected, is to have an ethics counsellor appointed by the House and reporting directly to the House, and operating sufficiently at arm's length, like the auditor general, to settle issues.

• (1625)

We make that request because there are issues we would like the ethics counsellor to be able to decide. An example would be the whole question of conflicts of interest which has been under discussion for several weeks concerning direct–to–home television broadcasting. This is a case of lobbying that is particularly interesting and even quite disturbing.

You are familiar with that case, but, for the sake of those who are not, let me outline the particulars of the incident we have been dealing with for a couple of weeks. A wholly Canadian company called Expressvu Inc. managed to get the direct television broadcasting contract. Direct broadcasting means programs are transmitted directly by satellite and not through cable companies. Expressvu complied with the rules of the CRTC and its bid got CRTC approval. The whole process had begun several months earlier.

Just when the decision was about to be made in favour of Expressvu, a new company called Power DirecTv came into the picture at the last minute and managed to have the CRTC decision overturned so as to get at least part of that market. We all know that Power DirecTv belongs to the son–in–law of the Prime Minister of Canada.

That is what I call patronage. It is hard to imagine that, in such a case, a private company could act so quickly to set up a network of influences in order to have a CRTC decision overturned by the federal cabinet. That takes some doing. It takes some clout to get the consensus needed in the federal cabinet to overturn a proper decision by the CRTC. This is the first and only time in the history of the CRTC that such a thing has happened. It is really incredible. All this just to further the interests of a fully private corporation chaired by the Prime Minister's son–in–law.

It is really incredible. It takes some clout to do that. That is some kind of lobbying. One might even say that the Liberal government is lobbying for Power Corporation. It is a known fact that Power Corporation has certain ties in Canada. Its network of influences was active throughout the federal government and even put pressure on the very top, the cabinet, in order to have the CRTC decision overturned, a first in the history of the CRTC, all in the interest of a private company which wields a great deal of clout.

• (1630)

In fact, as I said before, one wonders whether the Liberal government was perhaps lobbying for Power Corporation, because the process to promote Power DirecTv included appointing a panel of three former deputy ministers, all friends of Power Corporation and of Mr. Goldenberg, an adviser to the Prime Minister. We know that Michael Pitfield, the senator and former Clerk of the Privy Council, is also a vice–president of Power Corporation. Many of those involved are very, very close to the Prime Minister. They are almost part of a family. In fact, they are family.

So all this raises a number of questions. How did they manage to reverse a decision so quickly, to influence cabinet? Meanwhile, and this is what I find so amazing, they managed to give the impression that the Prime Minister himself was not involved in this decision. That takes some doing.

They managed to give that impression, despite the fact that he was surrounded by friends, neighbours, a son–in–law, former colleagues, and so forth, and they managed to reverse the CRTC's decision. They brazenly claimed that the Prime Minister himself was not involved in this decision, but that is inconceivable. We understand how this could happen when we

realize that Mr. Desmarais, the head of Power Corporation, is a very powerful man in this country. So powerful that he is able to use cabinet to further his own interests and, on top of that, he manages to control the media. That is what he did. He controlled the media. He controlled public opinion in Canada. That is quite a feat.

Normally, if Mr. Desmarais had not been the kind of man he is, if this had been a normal case, once this conspiracy, this massive lobbying on the part of the government in favour of Power Corporation was revealed, the headlines of newspapers across the country would have screamed "Nepotism, Nepotism". The Prime Minister is giving preferential treatment to his son–in–law's company. That is obvious.

The long and the short of it is that, Mr. Desmarais owns the newspaper *La Presse* in Montreal. He is very close to Conrad Black, who controls nearly all newspapers in Quebec. They both have a major interest in Southam News across Canada, which controls *L'Actualité* and *Maclean's*. Now that is power.

This man and his organization, Power Corporation, this is more than a lobby, this goes beyond lobbying. It is a superlobby. Not only did it reverse a CRTC decision, but it also swayed Cabinet in favour of one of Power Corporation's subsidiaries and used the press to influence public opinion.

Why has this case been dropped? After, all it is extremely disquieting. In my opinion, this is reminiscent of the family compact era, which in the 19th century was so damaging for the interests of the state. A few families who controlled money, power and trade were intimately linked with the politicians in power. It caused, as we know, rebellions in both Upper and Lower Canada.

• (1635)

I do not mean to say by this that the issue will spark a rebellion because, obviously, we have come a long way since then. We are a very democratic country, but in essence, we have remained a family compact. It is the family compact revisited. This incident with Power DirecTv is a case in point that the family compact is coming back.

And now, I come back to this doubt, to this suspicion that Power Corporation manipulated public opinion in order to distance the Prime Minister from a decision which has turned out so favourably for a company held by his son–in–law. Who in this country could doubt that the Prime Minister was unaware of this ploy? Legitimately and reasonably we have to assume he was involved even though in the House he has said he did not comment in Cabinet on this matter.

However, that Saturday night, at the home of Paul Desmarais, his daughter's father–in–law, he could have easily discussed it. Do you not agree with me, Mr. Speaker? He could easily have talked it over with his senior adviser, Mr. Goldenberg. Just as he could have spoken to Michael Pitfield or his buddies, there are so many of them. Can we for a moment think that the Prime Minister was not familiar with this matter? Impossible.

I contend that it is definitely a question of honour for the Prime Minister to obtain a decision in favour of Power DirecTv. It is a question of honour, of power and of fine politicking. This is politics at its highest and finest level. We know that all politicians want power. Supreme power is having the ability to do whatever one wants and to be totally above suspicion.

It is a matter of degree of corruption, in fact, because this is a case of corruption. We must not fool ourselves. It is a sign of extraordinary power when you can reach such a level of corruption and be totally above suspicion. For the Prime Minister it is a question of honour. The Prime Minister cannot not know about this matter. He was surely aware of everything that was happening.

He used all his power so that it would pass, because he could not say to his daughter: "My dear, your husband cannot have a favourable decision. We cannot overturn the decision of the CRTC". He could not say such a thing to his daughter or to his son–in–law. The honourable thing would have been for him to say: "My son–in–law, you will have it. Not only will you have it, but no one will suspect that I tipped the balance in your favour". And this is what he did.

How could he live with himself as Prime Minister, honourable and powerful as he is, if he had failed to grant this favour to his son–in–law? I close by saying that this is lobbying at its finest. This one more reason, one of many, why we need clear and very strong legislation and why we should certainly improve Bill C–43.

• (1640)

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I enjoyed the presentation of my colleague from the Bloc. I was particularly intrigued with the examples he used of actual blatant lobbying or presumed lobbying, but we do not for sure.

I have to underline what he said in the sense that the process being produced as a result of Bill C–43 falls completely short of having the ability to assure Canadians there is nothing wrong when nothing is wrong. In other words, if there is something wrong here we should have an ethics counsellor who would have total freedom to investigate and so declare it. If there is nothing wrong he should have total freedom and independence so he would be believable. Both these elements are missing in the bill.

It is so important when we talk about Bill C–43 that we also talk about the openness and accountability provided in it and the potential missed by the things not disclosed.

One of the elements that is a source of great annoyance and suspicion to Canadians is lobbyists very often are trading on previous attachments and previous connections.

I would like the member to comment on that aspect of it, whether lobbyists if they are to be required to register should also be required to indicate their previous political work, their political connections, and whether they should be required to indicate things like substantial donations to political parties. That would increase the openness and I suppose it would do a great deal to introduce a self–policing effect to the whole process.

[*Translation*]

Mr. Marchand: Mr. Speaker, I thank my hon. colleague for his question. The answer is obvious. Of course, we would like to introduce every possible amendment to give more teeth to Bill C–43, which has lost quite a few since it was introduced. We want this bill to be stronger, and every bit of information regarding lobbyists should be disclosed, including their donations to political parties and their political affiliation. All the information should be provided to ensure greater transparency. I justify this disclosure requirement simply because when lobbyists are subject to no controls, no restrictions, obviously this leads to all sorts of abuses.

It is sure, for instance, that if we cannot have an independent ethics counsellor, a counsellor appointed by the House rather than by the Prime Minister, this really puts the value of this bill and the lobbying on Parliament Hill into question. It proves that the general public is right to be seriously concerned about lobbying. Again, the worst of it all is that it affects us personally as politicians because it casts doubt on us. Introducing a bill like Bill C–43 regarding lobbyists brings our political integrity into question because, as politicians, we know that there is corruption and abuse of power in those circles. The fact is that we are in a position to act and pass a bill that would have teeth, but we are not taking advantage of this possibility.

This brings us into disrepute. The public is perfectly justified in questioning the integrity of politicians because, no matter what people say about politicians, I know that there are certain things that we cannot do, like perform miracles. But in this House we have the possibility and power to make a good bill out of a bill like this one. We could make sure that the ethics counsellor is appointed by the House of Commons, thereby ensuring greater transparency in a matter of great concern to the general public.

• (1645)

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): What I find appalling in this is that we have been discussing this matter for two days, accusing the government of all sorts of things, including a lack of openness, and saying that this bill does not achieve the objective set by the government. We have said that government members are reneging on their own election promises. We have said all kinds of things in this House but the Liberals listening to us are not saying anything. Silence means consent. They are not saying anything because we are right. This bill is an empty shell and does not do anything to ensure openness.

I will read some of the clauses so that you can understand why the average citizen thinks this bill is a crock.

With respect to the code of conduct, the bill provides that: "The Governor in Council may designate any person as the Ethics Counsellor for the purposes of this Act". The term "governor in council" means the Prime Minister and his team. This piece of legislation will therefore be administered by a friend of the Prime Minister.

According to another clause, the code of conduct—to be developed by a friend of the Prime Minister who will be appointed to the post of ethics counsellor by the Prime Minister—is not a statutory instrument. The government goes to the trouble of indicating in the bill that the code is not a statutory instrument and should not be implemented as such.

Another clause states that: "The investigation shall be conducted in private". This confirms, once again, that we are right in saying that they were not honest in drafting this bill.

According to another clause, "After conducting an investigation, the Ethics Counsellor shall prepare a report of the investigation, including the findings, conclusions and reasons for his conclusions, and submit it to the Registrar General of Canada". Again, this investigation will be conducted secretly and the Prime Minister will receive a nice report, while we will have to make do with the reasons for the conclusions they will condescend to share with us.

I understand why they feel uncomfortable and do not wish to rise in this House to defend this bill. I will use parliamentary language to avoid being censured. I understand why they do not wish to rise. What I do not understand is why, before this bill was tabled in this House, they did not warn their caucus that they were reneging on their election promises, that the bill did not go far enough. They could have argued that we need transparency because nobody wants to be a member of Parliament anymore. Nobody trusts us any more.

I was a lawyer before I became a member of Parliament. People used to tell me that lawyers had a bad reputation but when I informed them that I wanted to go into politics, they told me, "Are you crazy? It is even worse than being a lawyer".

This bill gives us an opportunity to increase openness, to improve the reputation of members of Parliament. What did they come up with? A mess. Instead of restoring confidence, they are abusing the trust of Canadian taxpayers, and that is unacceptable.

The Deputy Speaker: Your time has expired. I imagine that the hon. member does not wish to comment.

[*English*]

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Kamloops—Taxation; the hon. member for Thunder Bay—Atikokan—International Trade.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I am pleased to be able to speak to Bill C–43. I thank my colleagues for the intercession. It was amazing and perhaps amusing. I can see that the bill generates a little emotion.

• (1650)

Before addressing the specifics of the bill and more specifically the issue of ethics counsellor, I would like to do a little lobbying of my own. This is completely off topic but I know members will understand.

In the years I have sat here there has been nothing more glorious than the stained glass windows of the Chamber in the afternoon sun. I am lobbying on behalf of whoever wants to look at the windows or whoever created them. They are absolutely marvellous, gorgeous. They do not have a whole lot to do with the bill, but they give us a sense of awe.

Those of us elected by the Canadian people have been given a terrific amount of trust. People have entrusted us with virtually everything in terms of laws and legislation that have to do with federal lawmaking. We should be humble and full of awe that somebody chose us. We were the winners of the 1993 election. Those of us on the government benches and those of us on the opposition benches have an incredible responsibility to the people who elected us to try to do the best job we could.

Someone just before me got very emotional about this matter. For the reasons I will continue to lay out, it is important that whatever we do in this place be seen as important, as fair and as upfront to those in the Canadian public who pay the bills for this place such as the bill for the stained glass windows.

As I look at Bill C–43 I wonder from time to time about things I have heard from the government benches and about things I have seen in the red book about honesty and integrity in government. Canadians are seeking real political change. It is not just a matter of for whom to vote in an election, what they should do or who should be put on the government benches. They have sent some loud and clear signals. Certainly in the Charlottetown accord debate in 1992 they asked loudly: "What part of no don't you understand? " They said the accord was dead, deader than dead. They wanted politicians to pay attention and listen to what they had to say.

In 1993 they sent some pretty clear signals as well. The governing party was obliterated because people wanted to be able to trust their politicians. They wanted to make them more responsive and more accountable in the entire political system. We cannot continue to sit in Parliament and say it does not matter, that some folk on the outside watch the parliamentary channel but basically do not know what goes on here.

A former Tory colleague said at a public meeting on the Charlottetown accord in Grand Centre, Alberta: "You people just do not understand". As soon as political people, government members or opposition members, say that the people do not understand, we see a father knows best attitude in the country. That is the first sign to beware.

If we think we have all the answers, we think we are giving the people what they want. However it is not what they want if we are not responsive or accountable. Surely the same fate awaits anyone in the House who makes the assumptions the last government did. In fact they are toast. It is a simple as that.

In all probability most of us, as well as all other Canadians, talked about all the things we were to do. As campaigners and as people running for office we said: "We are going to clean up the system. We are going to do politics differently and we are going to do politics better". That is a quote of someone who is no longer here. She promised to do politics in a different way. She did and will be forever remembered.

We in the 35th Parliament have an opportunity to make some changes to the system. We want to make it more open, responsive and accountable. We have put forward several motions and private members' bills designed to improve the political process and to open up democracy to which we should be paying attention.

Recently we have seen government members being thrown out on their ear from all responsibilities they have. This is not the kind of thing the Canadian public is working toward.

As we look at the bill under lobbying we see more of the same attitude. It is frustrating for me as someone on the opposition side. Many government backbenchers who sat in the last Parliament told the Tories what they were supposed to do, that the system was supposed to be transparent, totally visible. Yet the government is bringing in a bill which seems to be similar to the one of the previous government under Felix Holtmann who chaired a committee and came up with a report.

• (1655)

Let me tell members what it is stated in the red book: "The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view". That is absolutely true. I have to agree with that paragraph of the red book. Lobbyists are seen to be the people who are scurrying around Parliament Hill in people's offices wheeling and dealing and making special deals for themselves or the people whom they represent.

Is the public perception about undue influence, cosy relationships, conflict of interest and influence peddling part of the traditional political process? Is it justified? Unfortunately it is because that is the way it has been.

We have seen an incredible population explosion not just with my generation, the baby boomers, but with the lobbyists. They have mushroomed on Parliament Hill. All of us can look at our daybooks to see that a lot of time is filled up by lobbyists coming to visit. I am sure I do not have quite as many coming to see me in my office as perhaps the minister of heritage. Who knows whether they come to his office or whether he goes to theirs? That is immaterial at this point.

Those who recall the pork barrelling and fervent patronage appointments in the final year of Mr. Trudeau's government remember the words of a certain fellow, Mr. Turner, who said: "I had no option". There are all kinds of options open.

What about folks who have read *On the Take*? That is a book I spent some time reading while I was on sick leave. I am not sure if it helped me recuperate or if it made me feel worse. However people will be persuaded when they read these kinds of books. They will wonder how in the world they trusted a person. They put an *x* beside a name and pay his or her wages. We read of this kind of stuff all the time about somebody receiving so many million dollars and somebody else receiving more.

Those people who study and pay attention to the political process with respect to various government pressures on the decision of the CRTC that we have been witnessing are suspicious and will likely be persuaded as further information becomes available.

Public perceptions are justified. These perceptions are true. Something needs to be done, not just to tinker with something to come up with a new bill but really make some serious changes. Can we do anything to remedy the situation, to foster new and more positive perceptions about the integrity of those who govern, about the political process, and about the lobbying industry? Of course there is something we can do.

A thorough and sensible rewrite of the Lobbyists Registration Act could be part of the remedy. Will Bill C–43 do the job? I do not think it will because there are some gaping holes in it. I would like to refer to a couple of them.

The first hole concerns the ethics counsellor and the lobbyists' code of conduct. The most important component in the process to regulate and control the lobbying industry will be the ethics counsellor. The individual appointed must be highly respected. He or she must carry the confidence of the public that watches all that goes on and pays the bills, as well as the confidence of the House. The ethics counsellor must be powerful with respect to investigative and reporting powers. Most important, the ethics counsellor must have a high degree of independence or autonomy.

In theory that is the way it ought to be. I suspect everyone in the House would agree and everyone watching or reading about it in the newspapers would agree. I am sure they would say that makes sense. In reality that is not the freedom or the autonomy the person will actually receive.

During the last election the Liberals clearly recognized the need to reform the practice of lobbying in Canada. We have heard about it for a long time. Chapter 6 of the red book is the most sensible chapter in the book. We need to see the government act on it. Nothing in the chapter calls for more money, which is refreshing. It was a pleasure to read it because it did not call for a lot of extra cash. Liberals and more cash seem to be synonymous terms. All they are really asking for and all we are asking them to act on is responsive responsible government.

Moreover they recognized the significance of the ethics counsellor to the reform of the practice of lobbying. Let me quote a couple of phrases in chapter 6: "A Liberal government will appoint an independent ethics counsellor to advise both public officials and lobbyists". This is a great idea. It looks terrific. I am sure the Bloc would agree that it is a great idea. I am sure Liberal members, both cabinet and backbenchers, would say: "What a terrific idea. It is in the red book. We agree with it, yes, but what happened? There is just that one little word in there, independent".

• (1700)

Mr. Speaker, you and I have seen what has gone on in the last months on TV or in the scrum outside the House. The ethics counsellor was brought in on a couple of things and was virtually muted. That is really unfortunate. It gives him kind of a bad name, poor soul.

I remember when he said: "I cannot really remember the Prime Minister asking me about that," and " I am not really sure I was given the absolute independence to make comments on that". If you are going to make someone independent, then do it. If you are going to give a teenager the right to be independent or to use your car or whatever, then you have to hand over the reins and let him run with it.

Someone gave me a poster which reads: There are two gifts we can give our children; one is roots and the other is wings. If we are going to tell our own children that we have given them the grounding, the roots, that we have established them and it may

be scary but they are on their own when they head off to university, then that is what we have to do for them.

It is also what we have to do for the ethics counsellor. If we have committed to him that he is going to be an independent ethics counsellor, then we have to tell him that we are not tying him to a chain demanding that if he says something we do not like that we are going to yank the chain and bring him back. He must be given that independent authority.

Further on in the red book it says that the ethics counsellor will report directly to Parliament. That would be wonderful and is something that is long overdue. I suspect many Liberal backbenchers and the rat pack particularly were demanding for years that the ethics counsellor report to Parliament so that there would be some teeth to this autonomy.

What do they say now? The report will be to the Prime Minister, cabinet, whomever as long as it is a very small group and it does not come to all of Parliament or is not broadcast on the national news.

There are two essential factors in developing the position of the ethics counsellor. That person would be independent and would report directly to Parliament. Unfortunately this bill does not address those or make sure that those criteria are followed.

It leads me to the question: Why did the Liberals change their minds when they became government? Frankly, what was said in the red book was pretty good. What they did does not add up to what they said in the red book. Do we call this another broken promise? I guess so. There are probably no other options but to call it that.

If I am campaigning and I make a promise, I had better keep it otherwise it is called only one thing and that is a broken promise. Nobody in this country needs any more broken promises from politicians. That is the way it has to be. The only option left to us is that we give people the option of saying: "Yes, I trust you. Yes, I voted for you and yes, you are somebody who said what you were going to do and then did it". We would go a long way in making sure that this bill was going to have some teeth in it if we made those changes.

Why does the government not wish the ethics counsellor to report directly to Parliament? Are we that scary? I hardly think so. We have been given a mandate from the people to be able to scrutinize some of these things. Our being allowed to say that we want to look at something and the ethics counsellor is going to report directly to Parliament is what needs to happen. These things need to be given a full and free airing here on the floor of the House of Commons, not in the cabinet room.

What kind of backsliding is this for a party that talked about governing with integrity? What degree of independence will this ethics counsellor have when required to report to a cabinet minister and held accountable to the Prime Minister? Is this scary? I hardly think so, when he is appointed by the Prime Minister and then has to report to the Prime Minister.

Nothing could be better and nothing could be healthier than reporting to Parliament. If there is something the government needs to be attacked on—I do not like to use that word—but held accountable for, then do it. If there is a problem in a relationship, nothing is healthier than to sit down and talk about it. That is the best thing to do.

If the ethics counsellor were to report to all of Parliament and held accountable to it, then government members may say: "Whoa, we made a mistake". There is nothing wrong with saying: "We have made a mistake". Absolutely nothing. There is no shame in anyone standing up to say: "Hey, I screwed up here. I made a mistake. Please understand. Please forgive me".

● (1705)

My testing ground was in front of a grade 8 classroom. It was the best thing that could have ever prepared me for Parliament. I learned that you better not say: "Here is the answer," and then just launch off on some course you know nothing about and cannot defend but will pretend that you know all about it to those kids. It simply does not work. All of us here should know that by now. If you do not know the answer, say so.

At town hall meetings I get asked all kinds of questions and frankly sometimes I do not have a clue about the answer. I say: "I am really sorry. I cannot tell you the answer but I can probably find it for you. Give me your name, address and phone number and I will get back to you with that information". It is better to do that rather than to look like the quintessential politician who just ravels on for 20 minutes not knowing what you are saying, what you mean and having a whole crowd know that you are simply filling in time. Frankly, you look like an idiot.

It would be best if we said: "Let the person have independence. Let the person report back to Parliament and let us not just fool our way through these kinds of things".

There is no shame in saying: "I made a mistake". If we do something wrong, people will respect us so much more if we just say: "Look, I messed up here. Please understand. Tell me the right answer or give me suggestions".

The government has said from time to time: "Please, you on the opposition benches, give us your suggestions". We do give suggestions but we are just mocked and scorned and made fun of.

I think of my friend, the finance minister. I have a lot of respect for the finance minister. Maybe we do not agree on policy certainly. Surely to heaven if we have some of the best economic minds in the country, like the hon. member for Capilano—Howe Sound who is internationally renowned, why then can we not put forward a couple of proposals? We go into question period and somebody makes fun of them. It does not accomplish anything. People say: "Here they go again. It is just the political hoop–la of question period".

Let us work together. Surely it does not need to be this partisan. Let us make sure that we can serve the ethics counsellor and he can serve us. There are all kinds of things he could be requested to look into on our behalf that would make things better for us and for the Canadian public. They would feel like they were getting their money's worth in that kind of situation. Surely we can do better.

Let me summarize because I have gone on and on. This bill could have done much to improve the political process in this country to make it more open, responsive and accountable as I talked about earlier.

Unfortunately, perhaps there is some pious intention here as decreed in chapter 6 of the red book which the government simply could not live up to. There is no shame in that. Just say: "Hey, we said a lot in chapter 6. If we cannot live up to it, then that is the way it is. It is a broken promise but at least we admit it is a broken promise. We have not gone far enough to make sure that this ethics counsellor is really accountable, that he is independent and that he will report to Parliament".

Let us make sure that there is no shame lost in a government that would admit that. We know that would refresh the Canadian public beyond the telling of it. I am sure they would applaud as they watched this debate if some substantive changes were made to this bill to make sure that we are not just going along with the political process in the old style.

We are moving toward the next century. Surely we could move our whole political process and the politicians involved in it into a new style of politics as well. Some of us on both sides of the House desperately want to be part of that new political style.

We are encouraging the government to say on this bill: "Come on board. Let us get toward the 21st century. Let us make substantive changes here so that we will be new style politicians".

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, at first I thought the member would stand to congratulate the government on its initiative after waiting a number of years for legislation that deals with the whole question of lobbyists. I was somewhat disappointed to see her turning in circles, repeating herself about 365 times to come back to the beginning and say that she is not happy. I do not know what will make the hon. member happy.

• (1710)

I will share this with the member in case she is not aware of what the committee has done so far. There were a number of amendments, a number of good suggestions that were brought forward by members of the committee and they were adopted by the committee.

The bill, along with all of the other good things in it, will now capture grassroots lobbying. In other words, any registered lobbyist who is involved in grassroots lobbying such as letter writing campaigns must disclose this as a communication technique.

Also, the committee felt very strongly that lobbyists should disclose when they are working on a contingency fee basis. This is not in fact prohibited by contracting policy. As well, from now on informational lobbying will be made easily available to Canadians. Industry Canada will put a registry online across Canada through a 1–800 number and on Internet.

I want also to bring to the attention of my colleague that the committee recognized that organization lobbyists and their goals are different. Most, if not all of them, will be subject to semi–annual update. Also, any organization that lobbies government will have to reveal the sources and the amount of any government funding it receives.

I do not know what the beef is in the hon. member's whole question. Since the government came into power the Prime Minister has appointed an ethics counsellor.

Mr. Stinson: Has appointed.

Mr. Harb: The ethics counsellor will now develop a code of conduct for lobbyists. The committee has ensured that lobbyists will have a legal obligation to comply with the code.

Mr. Penson: To whom does he report?

Mr. Harb: If only our Reform colleagues would have the decency to listen to a voice of reason, but they do not want to listen with how they are going on.

I will finish on this. In keeping with the spirit of increased powers for members of Parliament, the lobbyists' code of conduct will have to be reviewed by a parliamentary committee before it comes into effect. I want to ask the member—

The Deputy Speaker: The hon. member for Beaver River.

Miss Grey: Mr. Speaker, when he says that I have a beef, the question of course is: Where is the beef? Is this their only one Big Mac in this House? Come on.

I spoke about the ethics counsellor and then I was asked by Big Mac himself about grassroots lobbying, about disclosure, about information lobbying, about semi–annual updates. I am

talking about the half of the bill that talks about the ethics counsellor; he is talking about the part of the bill that deals specifically with lobbyists. That is fine.

There have been some good moves in the right direction. However, all of this is nothing but fluff if we do not have an ethics counsellor who can monitor this kind of stuff, who can monitor it, who will be independent and who will report to Parliament, not to the Prime Minister.

This is not good. He can talk about all the lobbying stuff in the world and we might talk just briefly in my remarks about tier one and tier two lobbyists. I thought that was kind of sweet because we talk about two–tiered things in health care around here and in that context it is absolutely horrifying. Yet, here we have something where we have two tiers of lobbyists.

Mr. Harper (Simcoe Centre): Three tiers.

Miss Grey: Three tiers. Well there are two with parts a and b. Part one is that there would be consultant lobbyists; that is tier one. Then, tier two, a and b, is that there would be in–house lobbyists, which sounds kind of cosy. We have the in–house lobbyists, which consists of the corporate in–house lobbyists and then we have the in–house lobbyist organizations.

An hon. member: Two tiered pensions too.

Miss Grey: It is sort of like two tiered pensions. It is sort of like two tiered health care. It is sort of like the government should be shedding two tears right now about this kind of stuff.

Let us talk about lobbyists, but let us also talk about the ethics counsellor who is not independent. He reports to the Prime Minister which is hardly anything that has any teeth in it. He does not report to Parliament. He goes to some back office upstairs and says: "Well, Prime Minister, let me tell you about the lobbyists". But who cares and who listens? Let us have it here on the floor of the House of Commons.

Some of the amendments are perhaps noble, but the right amendments were not made. That is the unfortunate part of this bill.

• (1715)

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, I truly appreciated the comments made by the hon. member for Beaver River. She is right on when she raises the issue of who the government is listening to regarding this legislation. The government is certainly not listening to its members: it is listening to lobbyists. The government listens to lobbyists even in the case of Bill C–43.

Earlier, the member for Ottawa Centre said that the hon. member for Beaver River was going around in circles. However, at one point, that same member was laughing when she accused the government of tabling a bill with no substance. It is as though the government is making fun of people by not tabling substantive legislation.

Such substance is not found in the details mentioned by the government member earlier, but in the comments made by the western member when she said that what we need is an independent ethics counsellor. The fact that it is not the case confirms that this government does not really intend to strengthen the legislation and counteract the efforts of lobbyists.

I have a question for the hon. member. Does she not agree that lobbyists are the only ones to whom the government is really paying any attention?

[*English*]

Miss Grey: Mr. Speaker, I suspect they are doing some listening to the lobbyists. Perhaps they are listening to cabinet. Perhaps they are listening to the Prime Minister as well.

I believe there is a deeper issue, a more serious malaise. The whole lobbying industry has mushroomed in the last 20 or 30 years. Something has to be done about it and I do not see the bill as going far enough in the direction to make sure people are not getting away with things, that people are not getting special deals, that they are not convincing the minister of heritage, for instance, to go to Disneyland for lunch; making sure these indiscreet things are not happening. That is what is frustrating about this.

There are many parliamentary secretaries in the House, as well as backbenchers. No matter what they do, because they did not do exactly the right thing by giving those two criteria to the ethics counsellor, this thing will not work. It will not work because it is tinkering with the system. I am sure the lobbyists watching this debate are already lobbying for changes around and tunnels and paths through the whole workings of government, getting themselves into ministers' offices and through the bureaucracy so there can be more money made and stronger ties with cabinet ministers' offices.

Lobbyists by definition are those who lobby government, naturally. They will look at this legislation. I am sure they have studied it already. They will be at the point at which they know exactly what they are after.

Mr. Milliken: Have you ever been lobbied?

Miss Grey: The hon. member for Kingston and the Islands asks if I have every been lobbied. If he had been here for my speech he would have heard that of course we are all lobbied. People will continue to be lobbied all the time. Let us have an ethics counsellor with some teeth to get to the lobbyists who are not doing the right thing. There are no teeth. This is a toothless ethics counsellor. That is most unfortunate and yet that is exactly what will happen. If lobbyists see somebody who has

absolutely no teeth they will gum it all the way to the Prime Minister.

There are things which are seriously wrong but my time is up. I would love to go on as I love this debate but I will sit down now.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I rise today to speak about Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts, which the Minister of Industry tabled on June 16, 1994. The law preceding it took effect in 1989. First of all we must keep in mind that the population has a poor opinion of the government's decision making process.

• (1720)

People have lost a lot of their trust in the government. We must, therefore, restore the public's trust and convince the population that the government's decisions are fair and are made on the basis of merit.

Lobbyists, influence peddlars, as some like to call them, have always held a great, and at times even disproportionate, amount of power. In March 1994, there were 944 of them on Parliament Hill. They sometimes work in the shadows and in secrecy; sometimes they are at the centre of influence–peddling; they do not necessarily work in the public interest. The work carried out on Parliament Hill must be made transparent
so that the population will understand, for example, what brings the government to make a deal with a person or an organization or what motivated a regulation, a bill, etc.

This bill, although a step in the right direction, is very disappointing for many reasons. Unfortunately, the Liberals rejected all of the amendments that the Bloc Quebecois proposed in committee and in the House to improve it.

The population of today's democratic societies is demanding more and more transparency in the legislative process and in the government's decisions.

Under Bill C–43, lobbyists will have to disclose the specific subject–matter of their activities, the name of the government department or institution they will be lobbying, the communication techniques that will be used and, in certain cases, information about the true beneficiary of the lobbying. They will also have to disclose the names of the legislative proposal, bill, resolution, policy, regulation, subsidy, contribution or any other financial advantage that they are targeting.

The second important element of this bill is that consultant lobbyists, also known as professional lobbyists, will be required to report this information for each new undertaking, each mandate.

Third, the bill allows lobbyists to file their returns electronically, sets the limitation period for enforcement proceedings at two years and provides for a parliamentary review of the Act in four years.

Finally, the bill provides for the designation of an ethics counsellor who establishes a lobbyists' code of conduct and investigates alleged breaches of it.

Over the years, parliamentarians have seen their role as representatives of the people diminish. Lobbyists, however, have become a powerful force. They manage to obtain direct access to government decision–makers. Today, the main decision–makers in government are senior officials, deputy ministers, ministers and, of course, the Prime Minister.

The United States passed the first law on lobbying several years ago. It was necessary to curb some of the excesses of this profession. The emphasis was on control and disclosure, secret lobbying and pressure behind the scenes. Before immigrating to Canada 21 years ago, I had read and heard about the powerful lobbies acting on behalf of large U.S. corporations.

The Parliament of Canada has reviewed the activities of this profession several times, more specifically in the Cooper Committee's report in 1986 and the Holtmann Committee's report in 1993.

Today, we have paid lobbyists, professional lobbyists and organizations.

• (1725)

The bill provides for only two types: consultant lobbyists and in–house lobbyists who work for an organization or a corporation. Consultant lobbyists are independent and contract their services to clients. They will have to file detailed returns on the nature of their clients' interests.

The federal government spends $160 billion annually. That is a lot of money. We must ensure that public funds are not used to promote the interests of certain individuals who have a close relationship with, or privileged access to, the government, or to promote the interests of individuals or companies that contributed to the campaign fund of the party in power.

The Sub–committee of the Standing Committee on Industry examined this bill and heard many witnesses. I very carefully read the majority and minority reports, and I fully agree with the dissenting report submitted by the Bloc Quebecois.

The business of government must be as transparent as possible, so that public policy reflects the common good of the people and not the interests of powerful lobbies.

[*English*]

Canadians and Quebecers agree on the need to put an end to the confidence crisis in the population regarding their institu-

tions. However, after one and a half years in power the Liberal government has not been able to increase its transparency.

In September 1994 the media showed the lobbyists multiplying their meetings with officials before the tabling of Bill C–43 in a last attempt to curb its influence on their activities. Some lobbyists have even threatened to pursue the government if the new law forced them to disclose their political alliances.

In the case of intense lobbying regarding Bill C–43 the lack of transparency had prevented the population and parliamentarians to know the scope and the nature of lobbyists' actions. It was a strange situation; the lobbyists succeeded in influencing the very bill which was to limit their own influence. Considering these facts, the need for transparency has never been more evident.

[*Translation*]

This having been said, I acknowledge that this bill contains a number of improvements to the system regulating lobbyists. However, we have to recognize that the commitments in the Liberal Party's red book are considerably watered down in this legislative text, which could not prevent troubling events such as those surrounding the privatization of the Pearson International Airport in Toronto.

The government finally agreed yesterday with considerable reticence to having a Senate committee investigate this dubious transaction. However, I doubt that this committee controlled by the Conservatives and the Liberals will clarify the situation entirely, since both parties were involved in this matter. It is interesting to note that Fred Doucet, a former executive assistant to Prime Minister Brian Mulroney, received $2 million as a lobbyist in this transaction.

On May 16, 1994, I had occasion, during a debate on Bill C–22, to denounce the privatization of terminals 1 and 2 of this very profitable airport by the Conservative government, just two weeks prior to the 1993 federal election. It was a scandalous contract with all the appearances of the political patronage and manipulation that characterizes the end of a government's term of office. Even Mr. Nixon, whom Mr. Chrétien appointed to investigate the matter, said that the public was entitled to know all the details of the agreement.

Mr. Speaker, I request unanimous consent to continue my speech.

The Deputy Speaker: Is there unanimous consent to allow the member five more minutes?

Some hon. members: Agreed.

Mr. Nunez: I thank all my hon. colleagues. The Bloc Quebecois had called for a royal commission of inquiry into one of the greatest scandals of Canadian public life; the Liberal government refused.

Bill C–43 shows the government's considerable lack of courage to regulate the activities of lobbyists. We should not be shy or timid in this issue because what is a stake is the integrity of our democratic institutions and people's trust in their leaders. There should be no compromise. Last June, the Prime Minister said that measures promoting transparency, including Bill C–43, would give the federal government unprecedented transparency. Unfortunately, this is not the case.

I would like to salute the labour movement for its excellent contribution to this debate. The Canadian Labour Congress, on behalf of its affiliated unions and the FTQ, representing 2.1 million members, presented a good brief on this issue to the sub–committee on industry. It was signed by Robert White, president, Dick Martin, secretary–treasurer, and Nancy Riche and Jean–Claude Parrot, executive vice–presidents. They maintain that banning lobbying, even if it was possible, is not the solution. A way must be found to ensure that the government's decisions are never "bought" and that they never appear to be the result of lobbying.

Unions themselves lobby in favour of their membership. But unlike professional lobbyists, the labour movement has never hidden what it expects from the government. As a matter of fact, instead of hiding its views, it tries to make them as well known as possible. This has nothing to do with individuals or corporations trying to use their connections to open doors for others for a fee.

The CLC does not dispute the provisions in Bill C–43 which require labour organizations to register as organizations, not as individuals. It is willing to submit a detailed annual report providing information on its lobbying activities: legislative proposals, bills, resolutions, regulations, policies, programs, grants, contributions and other fiscal privileges.

One example is unemployment insurance. The labour movement is critically interested in this question, especially at a time when the government is trying to dismantle the system which is supposed to protect workers when they lose their jobs.

Bill C–43 deals mostly with the individual or the organization which lobbies the government, but the behaviour of government officials is also very important. We should widen the scope of the Criminal Code provisions to prohibit the offer of money, gifts or other advantages to a senior official or any employee, with the intent of influencing his or her decision.

The time limits stated in the conflict of interest and post–employment code for public office holders should be longer.

The rules applicable to lobbying should be effective and well known. For that we have to ensure that the people have access to information, without geographical or financial barriers. Therefore, all the data should be available in all public libraries.

To conclude, I believe that we have to restrict the activities of lobbyists in order to bring about a greater openness in the decision making process of the government, and in order to avoid that the wealthiest enjoy better access to decision makers through lobbyists.

The Deputy Speaker: If he wishes, the hon. member will be able to speak for ten minutes next time.

Mr. Milliken: In view of the excellent co–operation, I wonder whether it would not be possible to dispose of this bill now. I think that the debate is over.

The Deputy Speaker: There is still a ten minute question and comment period. Is there unanimous consent to continue with this bill and to proceed with the division on this question? Is the debate over?

Mr. Bellehumeur: No.

[*English*]

The Deputy Speaker: It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

FUNDING FOR CULTURAL ORGANIZATIONS

Mr. Louis Plamondon (Richelieu, BQ) moved:

That, in the opinion of this House, the government should consider funding cultural organizations on a multi–year basis in order to promote their stability.

He said: Mr. Speaker, Motion M–213 which I tabled and which was voted on deals with the funding of government organizations, particularly Telefilm Canada, the National Film Board and the Canadian Broadcasting Corporation. We know the dilemma of these organizations, which do not know what their budget will be from year to year. For a long time, they have been asking funding on a multi–year basis.

It is almost ridiculous to have to beg the government for this, especially because, when it was in the opposition, it had requested it, and, during the election campaign, it undertook to follow through with this in its red book. It had even defended the very existence of these organizations. Is is a known fact that the government drafts its budget for one year and that associations draft theirs for two or three years; it is therefore understandable that these organizations would want to enjoy the same rights and to have the opportunity to draft their budgets based on multi–year funding.

Therefore, this motion asks the government to thoroughly reflect on this today and to undertake to acquiesce to these organizations' request, that is, multi–year funding with a guarantee of no cuts.

Let me say that the motion tabled today was based on misgivings. Drafted last January, even before the cuts in the last federal budget were announced, the motion was based on the suspicion that the finance minister intended to deeply cut the budgets of national cultural organizations and mainly, as I said earlier, the CBC, Telefilm Canada and the National Film Board.

On February 27, a dark day for Canadians, we learned that the budgets of the CBC, Telefilm Canada and the National Film Board would be cut by 4, 4 and 5 per cent respectively in the next fiscal year.

In the case of the CBC, this means, according to various interpretations we received during the last months, a cut of $44 million in 1995–96. According to information given by Tony Manera, its former chairman, the CBC will lose $350 million during the next three years. This is no longer a weight loss diet, this is a shock treatment.

When he was appointed, Mr. Manera was promised a fixed budget for the coming years, after the dramatic cuts the CBC had gone through under the Conservatives.

• (1740)

We can see that things have a habit of never changing. Liberal policy is determined by the same senior officials or based on the same principles that private interests must be served before the national interests of Canadians. It is exactly the same policy. Yesterday, I sat on the finance committee where I asked experts if, not having known that there had been a change of government, they would have guessed, simply by comparing budget speeches concerning Bill C–76, that a new government was in office. These experts answered no, adding that the policies are exactly the same as those of the Conservatives.

In the end, there is no real policy change. The only difference is that the whiners that were sitting on this side are now across the way, behaving like a lot of sheep, as their predecessors did. The best example is the member for Prescott—Russell.

Mr. Boudria: And Glengarry.

Mr. Plamondon: And Glengarry. I also remind my colleagues opposite that it is precisely on this issue of the lack of funds for the CBC that Mr. Manera resigned. An hour before the budget was tabled, Mr. Manera was given by the deputy minister of finance a report explaining the extent of the catastrophe. But to conclude that Mr. Manera's resignation was tied to these cuts was too big a step for the Minister of Canadian Heritage, the only one to be blind to the fact.

In fact, I would have a piece of advice for the heritage minister. Judging from the way he answered our questions, which he is apparently no longer allowed to answer—during question period today for instance, his colleague the Minister of Industry kept answering in his place—and from the stares he has been getting from all his colleagues recently every time he gives a clumsy answer, I sincerely hope that he did not get rid of his

driver's licence because he will be needing it before long, when he is a backbencher again.

As the CBC and other cultural agencies undergo drastic cuts, the minister continues to deny the cuts and keeps on parroting official figures. He reminds me of a bankrupt businessman who persists in denying any financial difficulty, when the trustee is already on the premises preparing an inventory of his assets. If I had a piece of advice to give the heads of the CBC, it would be to choose their friends more carefully, given that the minister claimed to be a friend of the CBC.

I would like to remind my hon. colleagues, and the heritage minister in particular, of the advantage, for our national institutions, of the multi–year financing these agencies have been crying out for many years. This kind of financing over two or three years would allow such agencies to better plan their production and distribution activities on a medium term basis. It would put an end to this chronic uncertainty which undermines the work of full time creators and freelancers as well as those responsible for controlling costs.

In addition, multi–year financing would promote the development of the imaginative and sound solutions required for these agencies to be well managed. More importantly, it would give creators a better insight into how the federal government feels about them. Instead of seeing creators as dreamers who are incapable of managing a budget and therefore have to be subsidized in a piecemeal fashion, multi–year financing would reflect the respect the federal government has for them and for their contribution to society.

Perhaps the minister no longer has any use for these institutions in this time of great progress in the communications industry, as he tells the House automatically when fielding questions from the opposition. But if there was ever a time when high standards and a strong educational content were required and had to be maintained, it is now. We do not need long studies to tell us that. All we have to do is look at the Internet to understand how important it is that new technologies be monitored and subject to standards, which are often lacking in the private sector.

On these networks, you can learn, for example, how to make bombs and other scientific experiments, which means that this knowledge is now made available to one and all.

• (1745)

In closing, I would like to remind the minister and his colleagues of their 1993 election promises, although I could go on and on for hours without convincing this government that it should pay attention to our artists' cries for financial help and to the justified requests by national organization executives for multi–year funding. In response to a Canadian Conference of the Arts questionnaire, the Liberals had vowed to develop a national cultural policy in consultation with the provinces during the first few months of their mandate to enable them to face the challenges of the 21st century. The Liberal Party of Canada made this commitment in writing to the Canadian Conference of the Arts and promised to include it in their famous red book, which has now become a blue book.

These commitments were clearly spelled out in the red book, but have now been completely forgotten. The Liberals also promised at the time to provide stable multi–year financing for our cultural institutions, both in the red book and in the letter and document sent to the Canadian Conference of the Arts.

In the cultural sector as in other areas, we see how the government can say one thing and do another. During the election campaign, it promised artists a better future, although it never really intended to keep its word. That is typical of both the Liberal Party of Canada and the Liberal Party in Quebec. That was demonstrated in 1982 when the government reneged on its referendum campaign commitment to carry out comprehensive constitutional reforms. Promises were also broken with respect to political party financing and unemployment insurance. After taking office, the Liberals, who used to tear their shirts in opposition, went ahead with UI reforms. I say reforms but I should really use the word cuts. These cuts were much deeper than those for which they criticized former Minister Valcourt. The Liberals also cut health care and social programs.

This is not the Liberal Party, but a party which has two different tunes: one which was used during the election campaign to get elected, and one which is used now that the Liberals are in office. The latter is very conservative; it is void of any long term objectives; it is based on a band–aid approach and it occasionally tries to alter the facts, whether in the context of an international fishery dispute or a trip abroad by the Prime Minister. But it never had a global vision for arts and culture, social programs, Canada's foreign policy, or deficit control. No global policy.

The government uses a piecemeal approach. It uses the Liberals' approach, who—after 10, 12 or 15 years in office—left the country with the worst deficit among G–7 members, with Italy. By the time they were ousted in 1984, the Liberals had managed to raise the deficit from 13 to 38 billion dollars. We are now feeling the effects of that deficit and this is why we must make cuts. But even now, the government is not using the right approach. It does not try to ensure the survival of vital organizations like the ones I mentioned and which I would call national cultural organizations.

I hope that these comments and the motion will be supported by government members, who have the opportunity, in the case of a motion like this one, to vote freely. They are not bound by the famous red book which their party shelved after only 12 or 18 months in office. Liberal members have an opportunity to express their views. They have an opportunity to support Canadian creators. They have an opportunity to show cultural

organizations that they are prepared to take a look at their valid claims. The time has come to do so.

During the hour allotted for this debate, I want to give Liberal members an opportunity to tell us to what extent they are prepared to co–operate with opposition members, to fulfil their election promises as well as the commitments they made to these groups when they were in opposition. They can do so by ensuring multi–year funding to these organizations.

• (1750)

I anxiously await their response, particularly with regard to their commitments and respect for creators and for Canadian cultural organizations.

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, I am sure my colleague, the member for Richelieu, will appreciate what I have to offer. I am hoping he will pay attention because I think he will be delighted with the message I will present to him and to his colleagues.

He has recognized the dilemma that has long faced Canada's guardians of our cultural identity, how to carry out long term projects successfully when funding is awarded on an annual basis.

Government understands this dilemma. In the interests of finding better ways to do business, the government made its commitments in the red book, which the member for Richelieu has mentioned, by promising multi–year funding to cultural organizations.

This is in accord with the government's overall plan to make Canada more fiscally responsible and economically sound. The government's commitment to cultural organizations is also a reflection of the desire that all Canadians have to see that good business practices become the norm throughout government.

The program review we referred to announced in the 1994 budget was undertaken to ensure the government's diminished resources are directed to the highest priority requirements and to those areas where the federal government is best placed to deliver services.

This review was a comprehensive and rigorous examination of all federal programs and activities, including those of a cultural nature. Its central objective was to identify the federal government's core roles and responsibilities and provide modern, affordable government.

The Minister of Finance announced in the 1995 budget that based on the program review there would be budgetary reductions to ensure the government meets its commitment to reduce the deficit to 3 per cent of the gross domestic product in 1996–97.

Cultural agencies in the Canadian heritage portfolio were part of this exercise. Agencies like the Canada Council, the four national museums and the National Archives, to name a few, are now working to implement these reductions and set their courses for the future.

Across Canada there is a wide diversity of cultural organizations operating at all levels and covering the full range of activities that make our Canadian culture something to be proud of. There are in great number museums, theatres, symphony orchestras, art galleries and dance companies all showing the face of Canada to us and to others. They are all worried about their survival. Why? The tradition of funding on an annual basis has greatly impeded their ability to carry out interesting, innovative and creative projects over the long term. It is good business sense to plan ahead but a virtual impossibility if there is no notion of the kind of income that will be forthcoming.

The current reductions have taken their toll on everyone but the cultural organizations like areas of government and other sectors of the country are doing their best to contribute to the success of the government's fiscal strategy.

Under these circumstances it makes sense to give cultural agencies and organizations as much assistance as possible by enabling them to plan their futures with a greater degree of confidence and with the added stability that comes with multi–year funding.

In the February 1995 budget it was announced that the government intends to implement a new expenditure management system. Its objectives are to take responsible spending decisions to deliver the programs and services Canadians need and can afford and to meet the required fiscal targets. Moreover, this system will foster a more open, responsive and accountable budget process. This is what all Canadian taxpayers are expecting from us, greater accountability for the money we spend.

• (1755)

In the face of fixed or declining budgets and the need to adjust to changing circumstances through reallocation, we need a more flexible system to manage our expenditures. With three–year business plans federal cultural organizations can propose a more strategic multi–year perspective to their management. Cultural organizations can prepare departmental outlook documents that will be available to the House standing committees. These documents will explain any significant shifts in an organization's priorities and initiatives over a three–year period while remaining consistent with government wide objectives and fiscal targets established in the previous budget. Committee

members using these forecasts will be in a better position to review and report on future expenditure priorities.

Multi–year forecasts will be based on resources allocated in the federal budget and will set out the strategies to be pursued to adapt to the fiscal and policy environment. The forecast will explain significant resource shifts in terms of priorities and associated initiatives of the organization over a three–year period. It will describe new directions, evolving priorities and objectives for the period.

There is no question in my mind or anyone's mind that our scarce resources can be stretched a lot further if we choose the method of working over the long term. This is a better use of our cultural dollars. We would be foolish to reject it.

Our cultural organizations, whatever proportion of the population they serve, are too important to our national identity to be allowed to sink into oblivion. Our cultural organizations are the caretakers of the rich treasures of our past and of our creative efforts; the very stuff that keeps minds, hearts and souls together. Our cultural organizations teach us about ourselves and let others learn about Canada and Canadians.

The motion being debated today, one that affirms the importance of our cultural organizations, is vital for all Canadians. By recognizing the value of our cultural organizations, by keeping them living and viable institutions we show our belief in ourselves.

Multi–year planning is essential if our precious cultural organizations are to continue to be a vibrant part of Canadian society. We must help them to gain the stability they need to continue to function well as the best reflection of Canada's cultural identity.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I rise today to discuss the Bloc motion that, in the opinion of the House, the government should consider funding cultural organizations on a multi–year basis in order to promote their stability.

However, it should be noted from the outset that before we start considering multi–year funding we should be examining the appropriateness of our present commitment to cultural funding.

This opportunity also permits me to set the record straight with respect to the Reform Party's position on Canadian cultural industries and artists. There seems to be a perception that we are unconcerned or even disinterested in Canadian culture. That really is a simplistic criticism of our policy.

Our policy is clear and concise. We are simply suggesting and encouraging less government involvement in the funding and promotion of the cultural sector. This has been our message firmly and consistently since the early days of this Parliament. What we want to see is less government involvement.

• (1800)

We promote the idea that the cultural community be given the tools necessary to flourish in an open, competitive, and changing marketplace. That includes less government intervention, less taxation, and less regulatory control, which will ultimately permit competition, not strangulation. Our approach recognizes that a Canadian cultural policy must be sustainable in a world of rapid technological change, one which fosters an environment in which individuals are free to choose. We need to ensure that the industry can make it on its own. This can and should be done through less regulation, less taxation.

We were elected with a mandate from our constituents to bring to this public forum their commitments and concerns, and we will not be intimidated by special interest groups. We do not support the concept of stable multi–year funding to organizations, which should be receiving the funding through the private sector and not through the federal government.

Albertans are demonstrating that they are willing to support the arts without massive federal assistance. So perhaps it is time that this government start to re–evaluate the way in which it is dealing with the cultural sector. This attitude change in Alberta has been perpetuated by the fact that shrinking budgets in all areas of the economy demand that we seek new innovative and creative ways of accessing funds, including the cultural sector.

Big Rock Breweries from Alberta is leading the way as a private sector supporter for the arts. Last year Big Rock provided over $1,000 to over 40 different arts groups. It views its cultural support as a wise business practice and not as a charitable donation. Thanks to the support of Big Rock, groups like the Alberta Theatre Project and the Muttard Public Art Gallery are thriving. Albertans indeed are leading the way in private sector support for the cultural sector. I applaud Big Rock for showing just what the private sector can do if left alone by various levels of government.

I think it is also important to illustrate at this time a few examples of why it is essential to bring back accountability to these cultural organizations. These examples will illustrate that not only does the Liberal Party not have a cultural policy, but the government's funding of these groups is indeed in need of reform.

For example, the artist Stephen Ellwood, an American who came to Canada because we give more money to artists than does the U.S., threw $300 in nickels, or 6,000 nickels in total, off a building and others were discarded in the street. This was to make a politically artistic statement. All this money is at the expense of the Canadian taxpayer, thanks to the Canada Council. If that is not government spending run amok, then I do not know what is.

Do not get me wrong; I truly believe in the freedom of expression. However, I do not believe Canadian taxpayers should be left on the hook for every political and artistic problem we encounter.

The Canada Council needs to be overhauled in its granting practices to ensure greater accountability as to how funds are distributed. It is time we looked at the current structure of the Canada Council to ask how it can continue to exist as we know it today.

Thanks to the Canada Council, the Liberal government is not even addressing the promises made in this year's budget regarding government accountability and reducing government spending. So I would like to thank Mr. Ellwood on behalf of all Canadians for pointing out the hypocrisy of this Liberal budget.

Another example of poor cultural policy was when the CRTC removed the American country music television network from Canadian airwaves. Canadian country artists used to be seen in 32 million homes around the world. But in retaliation for this decision, CMT now refuses to play Canadian artists' videos, restricting their airplay to Canadian homes only.

• (1805)

Promoting Canadian culture by closing our borders is like trying to mix oil and water. Canadian artists themselves denounced this decision, yet it was allowed to continue.

How does the government expect to promote Canadian cultural exports and allow for more consumer choice? It is unclear. Until this type of question can be answered, we should not be securing any multi–year funding to any cultural organization. This government seems to be moving toward a policy of protectionism in the cultural industry rather than one of a free market.

In typical Liberal fashion we are now seeing a flip–flop regarding our cultural policy. One day the government is restricting choice and competition in the country music industry. The next day it is opening up the doors for its Liberal friends in Power Corporation and their American buddies to set up satellite networks across the country.

Through the direct to home satellite debate the government has attempted to deflect criticism by portraying the Reform Party as anti–competition. Nothing could be further from the truth. The government has also said that we should not criticize the process. Wrong again. This can be clearly seen in the direct to home process. The only thing that has been clear in all of it is that Canadians are paying the price for the government's lack of a coherent cultural policy that favours true competition.

If the government truly wants competition, why will it not live up to its commitment to release a comprehensive cultural policy? I think the answer is clear: it does not have one.

I am also quite concerned that this debate is grinding down into a Quebec and English Canada issue. That is not the issue today. The issue we are looking at is entrenching multiculturalism funding and the fact that we as a nation cannot afford it. We are looking at a nationally enforced bilingualism, and we cannot afford it. We also cannot afford the funding of special interest groups.

This government's cultural policy is so misdirected that the Secretary of State for Multiculturalism in a recent interview stated eloquently that we have no national culture. I would like to take this opportunity to respond to that statement.

Most Canadians believe, as Reformers do, that we must uphold the rights of citizens and private groups to preserve their cultural heritage using their own resources but are opposed to any taxpayer funded multicultural programs. The Reform concept of culture is that as Canadians we believe we have something others do not. Collectively we see ourselves as a tolerant, peaceful and independent people.

Canadian culture is not stagnant. Rather, it is in a constant state of metamorphosis. The difficulty is that we continue to debate what our self–concept is. We need to stop struggling with our self–image and accept who we are.

Visually, our culture is an array of images, finely integrated and ever changing. Visual symbols such as the maple leaf, the uniform of the Royal Canadian Mounted Police, and hockey connect us to one another at the deepest level of our consciousness. This is our Canadian culture. It has nothing to do with money or cultural groups, but has everything to do with us as Canadians.

We should not forget that Canadian culture has been around since our nation's conception and will certainly outlast this Parliament and even the next Parliament. It will do so simply because it is in our hearts and in our minds. It is what makes us Canadians.

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, I am pleased to speak today in response to private member's Motion M–213 put forward by the hon. member for Richelieu, which proposes changing the funding practice with respect to cultural organizations to a multi–year schedule.

The need for multi–year planning is necessary for two very important reasons. First, it reflects a desire on the part of all Canadians to see the implementation of good business practices throughout government. Second, it ensures that our cultural organizations will remain vigorous and accountable.

• (1810)

Canada has many cultural organizations, covering the full range of all the activities that make our Canadian culture a vivid

and living experience. We have museums, theatres, symphony orchestras, art galleries, and dance companies, all there as a reflection of Canada's heart and soul and all striving to keep their heads above perilous waters.

Why? Because they have traditionally been funded on an annual basis, greatly impeding their ability to carry out plans for the long term. It is good business sense to plan ahead, but a virtual impossibility if there is no notion of the kind of income that will be forthcoming.

Government understands this dilemma. The government made its commitment to better business practices in the red book by promising multi–year funding to cultural organizations. This is part of the government's plan to help make Canada more fiscally responsible and economically sound.

The 1994 budget announced that a program review would be undertaken to "ensure that the government's diminished resources are directed to the highest priority requirements and to those areas where the federal government is best placed to deliver services".

The program review was a comprehensive and rigorous examination of all federal programs and activities, including those of a cultural nature. Its central objective was to identify the federal government's core roles and responsibilities and to provide modern, affordable government.

In the 1995 budget the government announced reductions based on the program review exercise, reductions to ensure that it meets its commitment to reduce the deficit to 3 per cent of gross domestic product in 1996–97. Cultural agencies in the Canadian heritage portfolio were part of this exercise. Agencies like the Canadian Museum of Civilization, the National Library, and the National Arts Centre, to name only a few, are now working to implement these reductions and set their courses for the future.

The current reductions have been a tough bullet to bite, but the cultural agencies, like other areas of government, are doing their best to contribute to the success of the government's fiscal strategy. Under these circumstances, it only makes sense to give cultural agencies as much assistance as possible through this difficult period by enabling them to plan their futures with a greater degree of confidence.

In the 1995 budget it was announced that the government intends to implement a new expenditure management system. Its objectives are to take responsible spending decisions to deliver the programs and services Canadians need and can afford and to meet the required fiscal targets. Moreover, this system will foster a more open, responsive, and accountable budget process.

This is the criterion that Canadians are demanding we apply: greater accountability for the money we spend. In the face of fixed or declining budgets and the need to adjust to changing circumstances through reallocation, we need a more flexible system of expenditure management.

Cultural organizations, through the preparation of three–year business plans, can take a more strategic, multi–year perspective to their management. Cultural organizations can prepare outlook documents that will be available to the House standing committee. With such documents in hand, committee members will be better informed and better able to review and report on future expenditure priorities.

These multi–year outlooks will be based on resources allocated in the February budget and will set out the strategies to be pursued to adapt to the fiscal and policy environment. The outlook will explain significant resource shifts in terms of the priorities and associated initiatives of the organization over a three–year period. It will describe new directions, evolving priorities, and objectives for the period. It is good to reiterate that this outlook document will be developed by the cultural agency itself.

There is no question that working for the long term is a more feasible method of making the best use of scarce resources. If this is a better way to stretch our cultural dollars, then we should go ahead with it.

• (1815)

Our cultural organizations, whatever proportion of the population they serve, are too important to let die for lack of foresight. Our cultural organizations are a precious entity within the Canadian identity. They are the caretakers of our rich past, the caretakers of our creative efforts, the food that nourishes the mind and the heart and the soul.

Our cultural organizations allow us to see ourselves and let others see us and know us as Canadians. The motion we are discussing today speaks to our belief in the necessity of cultural organizations. It is an important one for all Canadians. By affirming the value of our cultural organizations, by keeping them living and viable institutions, we are affirming our belief in ourselves.

In my view we have no option but to encourage multi–year planning for our cultural organizations. We must ensure they can maintain their stability in an uncertain world and have the opportunity to become the best possible reflection of Canada's cultural identity.

[*Translation*]

The Deputy Speaker: To close the debate, I give the floor to the hon. member for Richelieu.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, you can certainly understand my amazement at those comments by two members of the governing party, the Liberal Party. I have no difficulty with the position of the Reform Party, because it is true to its platform, to its vision—which I do not share at

all—on the involvement of government in the survival of the cultural organizations mentioned in my motion.

But the contradictions in the rhetoric of the two Liberal members are stunning. They deliver a quasi–philosophical lecture on art, culture and the need for art in our society. They say that these national organizations are essential because they are our very soul, the mirror of our society, the expression of our way of thinking, and the path to our future. In fact, our artists will help us assert our identity.

They serve us some rhetoric and they say that yes, multi–year funding would be better. Of course financing over two or three years would be better. They even say that it was promised in the electoral platform. That is the Liberal Party perspective. However, what are they doing in fact? They are destroying those agencies. They slash their budgets.

The former CBC president did not resign on a whim. He was solemnly promised that there would be no cuts and then they announced cuts of $44 million on one side and $350 million on the other. Now the Canadian Broadcasting Corporation is unable to fulfil its important mission, particularly in French Canada.

Now we are told in a wishful kind of way: "Oh! God, would it not be nice to have multiyear funding. It would be better to plan in order to insure the survival of these nobles agencies". But look at what your minister is doing, your government is doing, look at the campaign promises, look at your track record after one year in office. These agencies have been massacred; it is worse than what the previous government did, which you denounced when you were in the opposition.

It is hard to believe one's ears. The government is abandoning these cultural agencies on an economic level, through its February 27 budget, and through the policies, set puppet–like, by the Canadian heritage minister who later on said that he is a friend of the CBC. With friends like that, the CBC does not need enemies. We are told that the government will continue to respect these agencies. We are told that it would be in their best interest to have three year budgets. For years now, they have had only three or five year budgets.

• (1820)

Every time they have to deal with a government that demolishes their policies or makes cuts out of the blue. Now, has this government forgotten to cut in the right places? For instance, it has not cut the tax havens of those who finance its party. How many billions find their way to the Bahamas every year, to banks where they do not even declare the interests they accrue. Yet, a single piece of legislation would be enough to control all that money that is being drained out of the country and all those people who pay no income tax.

Why not deal with that instead of going after our cultural organizations? There was also mention of family trusts. We examined organizations like the other place, which costs taxpayers $50 million a year. What purpose does it serve? Is it a large dormitory, a day care centre? What is it exactly? Could we not make some cuts in there? The government is considering giving a half a million dollar party to announce the appointment of a new governor general. Why? Should we not instead leave this money to the organizations that make up the identity of our two founding nations and to the creators who are, in fact, the real soul of a nation?

No, it is not the answer I get to a motion as direct as this one, a motion that every organization was demanding, a motion that, in my mind, goes without saying. Whether an organization is economically, socially or community oriented or whether it is a public institution, it needs to know where it is heading and how much money will be available. That is just what we are asking the government. We want them to tell us that, for the next three years, we can rely on a fixed budget, a budget that will not change according to the mood of the finance minister, or according to the mood of the Canadian heritage minister or, with regard to copyright, for example, according to the mood of the industry minister.

We are asking for some planning with normal and formal commitments, which will then be adhered to. But the reply is: "Yes, this is fine in theory, but the fact is, we have to cut". I will conclude by saying that this motion, that I thought could get unanimous approval from all the members and from all the people who believe in planning, is getting approval only in theory. But in fact, as far as the money granted these organizations is concerned, the government is doing exactly the opposite of what it committed itself to doing in its red book and in its policy statements.

[*English*]

The Deputy Speaker: May we call it 6.30 p.m.?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

TAXATION

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, a few weeks ago I raised with the Minister of Finance the question of an inheritance tax.

I refer to that now very well quoted StatsCan report that examined the basic causes of the accumulated debt of the country and found that 44 per cent of the debt was the result of the compounding effect of a record high interest rate or monetary policy. Fifty per cent of the debt was the result of forgone revenue due to a series of tax concessions. One could call a number of these tax loopholes.

A member of the government, when he wrote to the Department of National Revenue recently, asked whether someone entertaining clients as a business person, whether their hotel expenses, a massage at a fitness club, a dinner at a posh restaurant, the cost of an escort service, night club shows, floor shows, dinners including $200 bottles of wine and a cruise on the river, would be included as a legitimate tax deduction.

The report back from the revenue department said yes, they would be, including the escort service. It was suggested the way the escort service was described ought to be changed, that they were essentially tour guides, body guards or interpreters. To describe them to be for sexual purposes would not be considered acceptable by Revenue Canada but they could be considered under these other categories.

The point I was making was if so much of our debt is as a result of the number of tax loopholes, why do we not close the loophole of the inheritance aspect?

I pointed out to the Minister of Finance that virtually every OECD country, with the exception of two, has an inheritance tax for those people who inherit large amounts of money. I am not talking about a home or a family farm or a family business. I am talking about someone who receives an inheritance, let us say, in excess of $1 million. Virtually every country in the world would ask that a tax be paid on that vast inheritance. We could consider a ceiling of $1 million.

The Minister of Finance spoke around the issue. In this desperate time when we are seeking to find ways and means of eliminating the deficit and the debt, when every other country in the world virtually has a tax on the inheritance of large amounts of money, why would we not?

It is fair to say that the primary benefactors of this tax loophole are the very wealthy, people who inherit $20 million or $50 million through their families at the time of death. We do not have that tax.

I asked the Minister of Finance to explain why we would not have such a tax at a time when we are cutting back on every social program imaginable, every environmental program imaginable, on health care, on post–secondary education, on vocational training and so on. I have yet to receive an answer.

Perhaps when I sit down the person responding on behalf of the government will clarify why Canada is rather unique in this aspect and has chosen not to tax those individuals that inherit vast amounts of money.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, the introduction of an inheritance tax would be a very complex way of raising a relatively small amount of additional tax revenue. In fact, based on OECD experience, an inheritance tax would contribute less than 1 per cent of federal tax revenues.

This revenue potential is small compared to the high administrative and compliance costs that it would entail since another tax collection operation would have to be established. This would require measures to obtain and verify information on wealth transfers at death, as well as complex rules to capture tax planning in order to avoid paying taxes.

Moreover, Canada already has a tax system which derives considerable revenue from wealth holders through the taxation of capital gains at death, property taxes and certain taxes on transfers of property. Revenues from property taxes in Canada are higher than the combined revenues from property and wealth taxes in all other OECD countries with the exception of the United States.

Rather than introducing a new tax that would be very complex and add a significant tax compliance burden, the budget introduced a number of tax measures which affect high income Canadians. An example of such a change on the personal income tax side is the elimination of tax advantages that flow from the establishment of family trusts.

INTERNATIONAL TRADE

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, just recently I raised a concern I have regarding the United States embargo on the island and the people of Cuba.

Tonight I would like to deal quickly with the Torricelli, the Helms and the Burton bills and amendments which are affecting drastically the trade relationships between Cuba and other parts of the world. The United States of America through these bills is having a direct impact on a great number of institutions and trading practices involving a great number of countries.

We know that the United States is one of the great countries of the world, a country that I and many people envy for its spirit and for its energy. We know that it has corralled and harnessed this energy and spirit and the resources to become one of the greatest nations in the history of mankind.

These bills are also among the greatest that have been created by the human mind, practically 99 per cent pure; so pure they could be used for classical examples in sociology classes, social political classes, political science classes, psychology classes, communication classes and so on. All over the world, 99 per cent pure propaganda.

It is mind boggling when we read what these bills contain. These bills pose restrictions and controls not just on individuals but on corporations, financial institutions, even the United Nations. Through these bills the American government is so intent on controlling its people to prevent them from trading

with Cuba and also those in other countries who might be trading partners with the United States.

That means we will suffer terribly because of our relationship in our trading practices with Cuba. As a result that will affect our manufactured products of sugar and so on that we trade with the United States.

The United States is interfering through these bills with the suspension of Cuba's membership in international organizations plus using many more tactics. Since 1962 there has been an embargo imposed on this island. However, even though these people have been rationed on every single purchase since those years, the spirit of revolution has prevailed and the people are survivors.

If they were dissatisfied to the point where a revolution would take place to overthrow Castro, it would have taken place many years ago. The bill tells us the acts of the Castro government are a threat to international peace. I do not know what that would be called. However, it is a threat to international relationships. It jeopardizes all relationships and all the bills we have formulated and passed over the many decades. It is country that classifies itself as our best friend.

I went to Cuba. It is amazing what those people have done under unbearable conditions and how resourceful they are. It is probably the best educated population in the world, no doubt about it. They have sent 20,000 doctors all over the world, chiefly to third world countries. No other country can match that. That is a threat to peace?

Cuba has the finest genetic research centre. It has probably the finest cardiac centre in the world. Is that a threat to peace? When the Chernobyl incident took place the Cuban government took in over 35,000 victims at no cost to them. It built a huge resort to keep children and families in dozens of beautiful homes at no cost to the victims. That is a threat to peace?

What did Canada do for these victims? What did the United States do? What did other countries of the world do for these people? Nothing.

As I said, the spirit of revolution prevails—

The Deputy Speaker: I am sorry, but the hon. member's time has expired.

[*Translation*]

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, as currently drafted these bills would clearly adversely affect Canadian trade and economic interests if they were passed into law.

Not only do their provisions violate U.S. obligations under NAFTA and the World Trade Organization, but they are also inconsistent with generally recognized principles of international law. The proposed import prohibitions on sugar and sugar containing products are a particular concern. If enacted, they could affect Canadian exports to the tune of $500 million a year.

The Government of Canada is strongly opposed to the measures in these bills and we are vigorously conveying Canadian concerns to both the administration and Congress. The Minister for International Trade has repeatedly raised our concerns with the U.S. trade representative, Mr. Kantor.

The Minister of Foreign Affairs has also made it clear that, while Canada and the United States may share similar long term goals of democracy and economic reform in Cuba, Canada has no intention of agreeing with U.S. attempts to impose its Cuban embargo through secondary boycotts on third countries.

Ambassador Chrétien has written to members of Congress urging them to oppose the bill. Other governments also share our concerns and we are maintaining close contact with them in order to co–ordinate responsive efforts.

Earlier this week, the U.S. administration's response to Congress on this bill was released. We were pleased to see that the administration has taken into account Canada's concerns. In particular, the U.S. administration opposes the provisions in the bill that would impose an import prohibition on sugar and sugar–containing products.

Finally, we expect the administration will put strong pressure on the U.S. Congress to ensure that the legislation is modified.

[*English*]

The Deputy Speaker: A motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.36 p.m.)

HOUSE OF COMMONS

Thursday, May 4, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 51 petitions.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I have the honour to present the 75th report of the Standing Committee on Procedure and House Affairs on the February 28, 1995 order of reference from the House of Commons concerning the Main Estimates for the fiscal year ending March 31, 1996, in particular Vote 5 under "Parliament—House of Commons" and Vote 20 under "Privy Council—Chief Electoral Officer".

* * *

[*English*]

PETITIONS

BILL C–41

Mr. Peter Milliken (Kingston and the Islands, Lib.): Madam Speaker, I have the honour to present a petition signed by numerous residents of Ontario, most from the Kingston area, concerning Bill C–41, asking that Parliament delete certain sections from the bill.

JUSTICE

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, I have the privilege of presenting a petition. I want to make it clear that in presenting this petition I do not agree with the actions of the person represented in it.

The petition has to do with the case of Robert Latimer of Wilkie, Saskatchewan. Numerous petitioners ask Parliament to recognize that the actions of Robert Latimer were motivated by love and should not be treated similarly to actions motivated by other reasons.

It is a very difficult and very distressful situation. I certainly concur with the mood and the feeling of these petitioners that there needs to be some recognition in the laws of Canada that would allow the courts to provide for sentences with leniency for people based on the motivation of their offence.

It is my pleasure to present this petition on their behalf.

RIGHTS OF THE UNBORN

Mr. Jim Jordan (Leeds—Grenville, Lib.): Madam Speaker, I have two petitions from citizens in my riding.

The first asks that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

I support that petition.

ASSISTED SUICIDE

Mr. Jim Jordan (Leeds—Grenville, Lib.): Madam Speaker, the second petition asks Parliament to ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

I support that petition also.

GOVERNMENT SPENDING

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, I am pleased to rise in the House today to present three petitions.

The first is from residents of my constituency and neighbouring constituencies including Burnaby and Surrey. The petitioners call upon Parliament to reduce government spending instead of increasing taxes and implement the taxpayer protection act to limit federal spending. There are about 550 signatures on this petition.

I present that with pleasure to the House today.

• (1010)

ASSISTED SUICIDE

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, the other two petitions deal with the importance of Canadians' values in government policy.

Both are from members of my riding. In the first, with approximately 300 signatures, petitioners pray that Parliament ensure present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, the other petition, also from members of my riding and with almost 300 signatures, asks that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

Again, it is my delight and pleasure to present these petitions. I pray that Parliament will take note of them.

HUMAN RIGHTS

Mr. Rex Crawford (Kent, Lib.): Madam Speaker, I am honoured once again to rise in the House pursuant to Standing Order 36 with a petition from people from Elderton, Kamalka, London, Ontario, Danfield and Lambton county and Elgin county.

These petitioners pray and request that Parliament not amend the Criminal Code as proposed in Bill C–41, the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality by including the undefined phrase sexual orientation.

I agree with this petition.

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, it is my privilege to rise today on Standing Order 36 to represent constituents from all over Canada. There are over 2,000 names here and added to what I previously presented, we have presented over 15,000 names in this Parliament.

These petitioners request Parliament to amend the Divorce Act to give grandparents standing before the courts and therefore allow them to protect their grandchildren and by doing so protect the child's right of access to his or her family.

ASSISTED SUICIDE

Mr. John Williams (St. Albert, Ref.): Madam Speaker, pursuant to Standing Order 36, I am honoured to present a petition on behalf of a number of my constituents organized by Francis Kastelan.

The petitioners request that Parliament ensure present provisions of the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Not only am I pleased to present this petition but I endorse the petition as well.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I have two petitions to present this morning. One is from many constituents in my district and in particular my neighbourhood. The petition is in relation to section 241 of the Criminal Code.

The petitioners are asking Parliament not to repeal or amend section 241 of the Criminal Code in any way and to uphold the Supreme Court of Canada decision of September 30, 1993 to disallow assisted suicide, euthanasia.

I table this pursuant to Standing Order 36.

THE SENATE

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, the second petition I have is in relation to the Senate. It is signed by many people in my constituency and from other parts of Regina, Saskatchewan.

The petitioners say the Senate is costing Canadians about $60 million, which is about $60,000 too much, and are asking the House of Commons to repeal sections 41 and 42 of the Constitution Act, thereby abolishing the Senate which they believe is a useless institution.

MINING

Mr. Benoît Serré (Timiskaming—French River, Lib.): Madam Speaker, it is my pleasure to present a petition signed by 1,061 Canadians across the country.

The petitioners, recognizing the importance of mining in the country, call on Parliament to take action that will increase employment in this sector, promote exploration, rebuild Canada's mineral reserve, sustain mining communities and keep mining in Canada.

ARMENIAN GENOCIDE

Mr. Sarkis Assadourian (Don Valley North, Lib.): Madam Speaker, pursuant to Standing Order 36, I am pleased to present to the House a petition signed by 38 Canadians of Armenian descent on the occasion of the 80th anniversary of the genocide.

• (1015)

These 38 individuals marched from Montreal to Ottawa from April 21 to April 24, the day they arrived. They humbly ask Parliament to adopt their petition and condemn the genocide against the Armenian people committed in 1915.

HUMAN RIGHTS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Madam Speaker, pursuant to Standing Order 36, I would like to table two petitions. They call on Parliament not to amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I would ask that the remaining questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee.

He said: Madam Speaker, the pension plan for members of Parliament has been a matter of discussion and concern by members of Parliament and by the Canadian public for quite a number of years. In recent times we have received many petitions and letters on the subject. Indeed, the House addressed the issue previously with a full day of debate on November 22, 1994. Members had the opportunity to discuss the various ins and outs of what needed to be done in terms of the MP pension plan.

Today, we begin second reading debate on Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act.

[*Translation*]

This matter has been debated publicly for over a decade.

[*English*]

When the Liberal Party entered the 1993 election campaign it put forward a policy book of specific recommendations that a Liberal government would undertake in its mandate. The Canadian public then elected a majority of Liberal MPs to govern Canada. That same electorate expected this new Liberal government to follow through on the stated commitments as outlined during the election campaign and put into writing in the book "Creating Opportunity", which is frequently talked about today as the red book.

The red book preamble on this subject matter began with the words:

> —the pension regime of members of Parliament has been the focus of considerable controversy. It is now the subject of an independent review which Liberals support. We believe that reform is necessary.

The independent review cited in the red book is the "Study of Parliamentarians' Compensation" carried out by the pension consulting firm of Sobeco. Ernst & Young. This report was delivered to the current government in March 1994 with specific recommendations on compensation issues for senators and MPs that went beyond just the pension plan.

In addition to talking about that report the red book went further. It said:

> Whatever the results of the independent review, a Liberal government will reform the pension plan of members of Parliament to end "double dipping".

• (1020)

It was saying, in effect, that MPs should not be able to leave office and receive a pension from the federal government if they accept a new full time paying job from the federal government. It goes on to say: "In addition we will review the question of the minimum age at which pensions will begin to be paid".

The announcement of the government's intention to reform the pension plan, which I made previously in the House, and the legislation which is currently before us, Bill C–85, will implement the specific red book commitments made by the Liberal Party during the election campaign of 1993, and in fact goes further in this legislation.

Having given that background, I would like to take the House through a few chronological events which have happened since the election of October 5, 1993, leading up to the bill we are debating today.

The first notable event is the consultations and the eventual report prepared by Sobeco, Ernst and Young. The consultations which they carried out focused on four groups: present MPs, senators, newly retired or defeated MPs from the last House and longstanding retired parliamentarians. Focus groups were held and a great deal of information came to light on the particular role of parliamentarians and how the compensation issues addressed their roles.

I will not go on at length about the methodology or all of the specific findings of the report. I would urge members to read the report if they have not had the opportunity to do so already. It has been made available to all members of the House. However, I would like to acknowledge the members who participated in the consultative process. It is very important to have information about the impact of the compensation and the pension plan to help to determine what is the best course of action to take, in addition to those commitments which the government made during the election campaign.

[*Translation*]

There were not only government members and senators but also members of the opposition parties.

[*English*]

In March of last year I had the opportunity to table the report in Parliament. Each member of Parliament was provided with a copy. The focus of the report was to rearrange the compensation elements for senators and MPs to more adequately reflect their roles as legislators, public policy makers, public advocates and representatives of Canadians.

The Sobeco study came forward with concrete recommendations to decrease the amount paid out in pension to former parliamentarians who qualified for such a pension, but simultaneously it recommended an increase in the salary for members of Parliament; to go up on the salary and come down on the pension provisions.

Private sector, provincial legislature and international pension plans were used for comparative analyses. The consultants did not just consult with members, they looked at what was happening in other locations and in the private sector as well. The specific results of these comparisons are detailed extremely well in the study.

The report suggested tying changes in the salary component with pension plan changes. This recommendation, however, was received by the government just one month after the budget of February 1994. In that budget the government imposed a salary freeze on parliamentarians until 1997, in accordance with what we were already doing with respect to the public service. We have to get the deficit and the debt under control. We had to provide for that freeze because we could not afford to pay members of Parliament or members of the public service any more in compensation. It is in that light the report came forward. The government would not wait to change the pension plan for sunnier days. We cannot provide for an increase in wages at this time but we need to provide the changes we had promised in the pension plan.

• (1025)

The Sobeco Ernst & Young study had said that the compensation level should remain the same. In fact the overall compensation level when compared to the private sector was not near the top at all. If we cannot increase the salaries, which we cannot do, the question is how much do we go on the other side of the equation in terms of decreasing the pension plan? That has been one of the key considerations that we have had to take in this whole process.

As I said a moment ago, we cannot wait for the day when we can deal with salary increases as suggested. We cannot afford them at the moment. While the total compensation approach outlined in the study is worthy of further discussion, it is not functionally possible at this time. However the pension recommendations are being acted on, which is what Bill C–85 is all about.

The other ingredient in reporting on the question of compensation comes from the Lapointe commission, a parliamentary commission mandated by the Parliament of Canada Act to review the adequacy of compensation for senators and MPs. The commission was chaired by the Hon. Charles Lapointe, a respected former federal cabinet minister. The commissioners who sat with Mr. Lapointe included Jean Pigott, a former member of the House and Professor C.E.S. Franks from Queen's University, a noted academic expert on parliamentary affairs.

The Lapointe commission held hearings and I understand a number of members of the House testified before that commission. The commission reported in July 1994, and again all members received copies of the findings.

The particular recommendation of interest today that was brought forward by the commission, while not totally mirroring the Sobeco consulting report, nevertheless was quite similar. The total compensation approach was again suggested with an increase in salary and a decrease in pension benefits but overall keeping the compensation level the same.

Although I am summarizing the general scope of the consultation process and not going into the finer details of the recommendations put forward to the government, I would like to again thank the commissioners for their input to this important public debate.

The last event in this chronological review is the formulation of the government's recommendations that culminate in this amendment to the Members of Parliament Retiring Allowances Act.

On February 22 of this year I publicly announced the government's position and this has been further elaborated on in Bill C–85. The Members of Parliament Retiring Allowances Act was first introduced in 1952 to provide pension coverage for members of the House of Commons. Senators' benefits were added in 1965. While there have been several amendments since that

time, the most recent were in 1992 when the act was brought into compliance with the provisions of the Income Tax Act.

I move now to the question of minimum age. The legislation prior to Bill C–85 provides pension benefits for senators and MPs after serving six years in Parliament. A member can start drawing the pension immediately on leaving Parliament, regardless of age. This is the first amendment that I would like to address.

The Government of Canada will follow through on its red book commitment to review the minimum age at which members can receive a pension by establishing age 55 as the minimum for service earned under the newly amended act. This amendment is found in clause 11 of the bill. The public, the media and members of the House have sought a minimum age for receipt of a parliamentary pension that better reflects what is available in the private sector. Private sector and public service pensions vary in their minimum age requirements. Many include a combination of age and service provisions, while many more establish a stand alone age.

The government has put forward its amendment to establish age 55 based on a number of factors. The first is the adoption of the Lapointe commission report. That report also recommended age 55.

• (1030)

Second, the government has acknowledged the relatively short length of service for parliamentarians which primarily affected the decision to implement a stand alone age and not an age and service contribution. Most people who serve in this House do not serve long enough to collect a pension at all. Obviously the stand alone age made more sense in that regard.

Finally, the government has attempted to put forward a system that is transparent and fair establishing a clearly defined benchmark leaving no possibility of confusion from the very calculations inherent in age and service combinations. We are saying quite simply it is age 55.

The publicity that has been brought to the minimum age issue can perhaps best be characterized by a few celebrated cases of former members retiring or having been defeated from Parliament and receiving a pension when they were in their thirties or forties. While these ages are extremely early and do not provide retirement funds but an alternate source of income originally designed to assist in the transition of MPs from public life to the private sector, it is important to note that an overwhelming majority of parliamentary pensioners are presently over age 55, as high in fact as 87 per cent.

When we hear about MPs receiving pensions in their thirties and forties, it is really the exception and not the general rule. Nevertheless, it is an issue that this government said it would address and is addressing. Not all former senators and MPs leave Parliament with excessive pensions at young ages. Almost half, as I indicated before, do not even get a pension at all.

Let me address the matter of double dipping because the second amendment, the one which is found in clause 20, deals with the implementation of a restriction on double dipping for retired senators and MPs. The present pension plan does not provide a mechanism that reduces or eliminates salary or pension when a member receives income from two federal sources.

For the purpose of this debate it would be extremely useful to put forward a definition of double dipping. Bill C–85 provides a very necessary legal definition of course, but I would like to put forward my interpretation of double dipping as it relates to this Parliament.

Double dipping occurs when a former member of this House or the Senate of Canada is in receipt of a pension under this act and enters into employment, appointment or a personal service contract within the federal public sector earning remuneration from those activities in excess of $5,000 annually. With this definition I would hope that the jurisdictional lines as they relate to double dipping are clear.

With that said, I would put to the House that this government will put a stop to the practice that is unacceptable to many Canadians. The pensions of former MPs and senators who have left public office and secured paid employment within the federal government's jurisdiction will be reduced dollar for dollar. A $5,000 threshold will be established to avoid penalizing part time income earners.

The varied definitions of double dipping that have been put forward in public debate over the pension plan is staggering. Provincial legislators, public servants, military personnel and even private sector pensioners have been thrown into the mix at different times. Some of them sit on the benches of the third party so I think they would want to be a little quieter during this discussion.

That is not part of what this mandate was in terms of Bill C–85. Bill C–85 deals with the question of members of Parliament who go out from here and get another job in the federal public service. That is what we said in the election campaign we would end and that is what we are ending.

I would also like to highlight the leadership the Prime Minister has demonstrated in ensuring that governor in council appointments made prior to this legislation coming into force would be affected. The legislation on double dipping comes into effect when royal assent is given to this bill, hopefully sometime within the next few weeks or months. However, there have been numerous appointments that have been made going back to the beginning of this government when elected on October 25, 1993. In this case the Prime Minister has asked appointees who have served in Parliament, former MPs or senators, and are currently

receiving a pension to return those benefits to the crown or reduce their salaries by the amount of pension received.

• (1035)

There are a number of examples that have been raised in public debate. It is for resolving those instances of double dipping that I would like to commend and thank the Prime Minister. Even though this bill is not yet in effect, he has ensured that it is in effect in terms that nobody appointed to a position who collects from the federal purse in the term of this government also collects a pension. He has specifically ended that kind of double dipping, going back to the beginning of this term.

An example of the application of the proposed double dipping amendment would be that when a former MP in receipt of a parliamentary pension of for example, $40,000 and who is appointed to a government post which might have a salary of $75,000, the former MP would lose all entitlement to a pension while employed by the Government of Canada. A pension of $40,000 would be reduced dollar for dollar by the amount of the salary. In this case, using those numbers, it would leave a zero balance in terms of pension while that person was collecting elsewhere on the public payroll.

It is important to realize that a $1 per year adviser to the government should quite obviously not lose any pension benefits during service to the crown. That is the reason for this $5,000 threshold, to exclude those who are earning very nominal sums or very small part time remuneration.

Members of the House may not believe that legislation could be debated that prevents the $1 per year adviser from collecting a pension. Nobody would dispute that. However, I point out to all members that private members' Bill C–208 last spring would have done just that. In fact, there is a second private members' bill currently before the House that would have the same effect, preventing a $1 per year adviser to the government from collecting an earned pension, not just while employed but forever thereafter. I think we are dealing with it in a fair and reasonable manner.

A final point on the double dipping issue is that former MPs and senators who are currently appointed to a position in the federal public sector and are then reappointed after the day on which our bill receives royal assent will be subject to the double dipping provision. The Prime Minister has received from them compliance on a voluntary basis, but after royal assent if a reappointment comes up they would be subject to the provisions of the bill.

Let me deal with the question of savings. We are also cutting benefits that are available to retiring members. The red book speaks of double dipping and minimum age.

It is quite obvious in those letters and petitions from the Canadian public and pension plan members that they want more reform. The Liberal government acted on the need for reform and has now put forward additional amendments in Bill C–85 that will have the effect of going even further.

The costs of the pension plan have been significantly decreased, by 33 per cent. That is direct savings to the Canadian taxpayer of some $3.3 million from a $10 million pension contribution. These savings are generated in two ways.

First is the establishment of a minimum age which will result in fewer former members collecting a pension at an early age. The most important element in the savings equation is the 20 per cent reduction in the benefit MPs will earn on future service. This is the accrual rate reduction, as hon. members will know.

Speaking of the accrual rate, the current pension plan provides benefits for MPs based on the best six years of salary with a benefit rate or accrual rate of 5 per cent. That is 5 per cent of an MPs average sessional indemnity, as we call it, per year of service.

This accrual rate is to be reduced by Bill C–85. Clause 9 of the bill will reduce the present 5 per cent accrual rate to 4 per cent, a 20 per cent cut in benefits for MPs. It will be this 20 per cent cut that will provide the lion's share of the savings to the government and to Canadian taxpayers, which as I said a moment ago totals 33 per cent savings.

• (1040)

Senators' pensions will not be affected and will remain at current levels because senators receive 3 per cent. They are already at a lower level of their average sessional indemnity per year of service.

The accrual rate of 5 per cent for every year of service for MPs at present provides for a maximum contribution of 15 years. Not too many are here for 15 years, but if a member gets to 15 years, he or she can get to the 75 per cent pension level. If an MP serves for eight years in Parliament, his or her pension would be calculated as eight years times the 5 per cent accrual rate, equalling a pension of 40 per cent of salary.

The amendment act will continue to provide for a ceiling, which as I say not too many will achieve, of 75 per cent. A new member under these rules would need to contribute to the pension plan for 19 years in order to realize a similar benefit as that of the present plan.

Members may wish to note that the accrual rate reduction applies to future service only, that is, service after the date when the act receives royal assent. What members of the House or former members of the House have accrued up to the date of royal assent, and the rate at which they have accrued it, is an entitlement which they have and will continue to have. That is

the way pension plans operate throughout the country. It is part of the normal pension regime.

Let me deal with the question of tax treatment. Tax treatment of the overall pension plan is an integral element of the funding mix and thus is a significant contribution to the actual cost of the plan. The Income Tax Act prescribes a tax benefit for registered plans which does not exceed a 2 per cent accrual rate. This would be the amount which opposition members speak of when they talk of the legal limits of the pension plan. However, I would like to clarify for the House at this point that the Members of Parliament Retiring Allowances Act complies with the Income Tax Act. I particularly want the members of the third party to note that. That is a fact which some members have disputed and even raised in members statements or in question period.

The act was amended in 1992 when the government of the day brought the plan into compliance with the Income Tax Act and provided that all benefits would be fully funded. It did so by dividing the plan into two parts: a registered pension plan containing those provisions which fall within the limits allowed under a registered pension plan or a plan registered under the Income Tax Act; and a retirement compensation arrangement, an RCA, which contains those elements in excess of the Income Tax Act. That is a common element, a common vehicle, for dealing with pension plans in the private sector as well.

Part I of the act contains the registered pension plan portion and part II contains the retirement compensation arrangement. I would stress that both of these parts meet the requirements of the Income Tax Act. Amendments in this bill primarily affect parts I and II of the act.

Contributions to the pension plan are made by members currently at the rate of 11 per cent of his or her annual salary which is much more than is generally the case in the private sector. For senators it is 7 per cent of their annual salary.

The contribution rate will be reduced to 9 per cent to reflect the decrease in the accrual rate. This reduction is found in clause 7 of the bill. Senators contribute 7 per cent of their annual salary, receive a 3 per cent accrual rate, and that will not change. The 9 per cent contribution rate for MPs, however, is more in line with the new 4 per cent accrual rate.

[*Translation*]

The media and some members of the opposition asserted that this would increase compensation for parliamentarians.

[*English*]

In fact the total compensation for members will decrease with amendments to this act. The claim that members will receive a salary increase of 2 per cent is simply not true. MPs will have 2 per cent more disposable income but they will also have more that is subject to tax as a result of that. There is no increase in the compensation level. Again, the compensation level for MPs is going down.

As I mentioned earlier, the 1994 budget imposed a salary freeze on MPs, who incidentally have not had an increase for some six years. The pension benefits are being cut by 20 per cent. There is simply no way a salary increase could be extrapolated from what is quite clearly a cut in compensation to MPs.

• (1045)

I should like to deal with a matter that I know is of particular interest to some of my colleagues beyond here. That is optional participation. The member for Beaver River will be extremely interested.

Miss Grey: And the class of '88 too.

Mr. Eggleton: Yes, they all have the same option as the member has.

Within days of beginning the current legislative session of the 35th Parliament, a question was put to the Prime Minister in daily question period about allowing MPs to decide for themselves if they wished to continue to participate in their pension plan.

This is not something normally done, I might add, in the private sector or other public sector plans. Canadians are encouraged by the government and by organizations and companies throughout the country to provide for their retirement allowance, to provide for themselves when they are no longer part of the workforce. It makes sense to save to do that. We should be encouraging people to do so.

The Prime Minister rose on January 21 and committed to the House that members of Parliament would have a choice. Pension plans in Canada are supported through the income tax system to provide employer sponsored retirement funding for Canadians. The Government of Canada is no different from other employers. Pension plans are provided for public servants, military personnel, RCMP and parliamentarians.

The government believes in retirement benefits for its employees, pure and simple. However certain MPs have made a case that they can better provide for their retirement needs and those of their families, or they think they can.

I should like to say something about that in terms of families. During the consultation period prior to the introduction of the legislation I was told numerous stories by present and former members who originally entered politics at a young age. Many of them were single at the time. They married during their political careers. They began families. Their retirement needs changed. They were vastly different with families from what they were when they first started out as single individuals.

It is important to note in this context that the optional participation decision all MPs will make should not be taken lightly. Most certainly consideration of families should be included in the decision with respect to optional participation.

Clause 2 allows members who choose to leave themselves or their families without pension benefits once the changes to these pension arrangements receive royal assent 60 days to decide whether they want to opt into the plan. It is a major change that is being made in the plan. The Prime Minister has given the opportunity to members of the House.

Members who have six or more years of service and who choose not to continue contributing to the pension plan will have their contributions returned to the beginning of this Parliament.

The member for Beaver River may want to hear this point.

Miss Grey: You bet I do.

Mr. Eggleton: It pertains to her specifically. Members with less than six years will have their contributions returned. The government will allow these members a one–time only opportunity to withdraw their participation in the pension plan. It is something that is not normally done. We have to provide for our own retirement allowance and that is what the plan is all about.

For those who choose not to participate, the government will return their contributions with interest calculated in the same manner as for any other withdrawal allowance under the statute.

Members cannot later decide to join the pension plan if they serve continuously as a member of the House or if appointed to the Senate without a break in service. Members who after a break in service later re–enter the pension plan will not be permitted the option of buying back service from this Parliament should they exercise their option not to participate during this Parliament.

In terms of another provision of the plan may I finally mention with respect to common law spouses that in clause 4 of the bill they will be recognized for survivor benefit purposes as they are under federal pension plans for public service employees. It will provide common law spouses with necessary protection that other Canadian pension plan members enjoy. As well, the bill provides that a survivor pension can be apportioned between a legal spouse and a common law spouse. Where a member is survived by both a common law and legal spouse the bill provides for the survivor benefit to be apportioned between the two claimants if the common law spouse lived with the member while the pension was being earned.

• (1050)

In conclusion I highlight the net result of the changes. Not only have we as a government lived up to our campaign promises, the ones clearly defined in the red book dealing with a minimum age of 55 and prevention of double dipping for former members who get appointments in the federal service, but we have gone beyond that in the spirit of the need for cutting government spending to get the deficit and debt under control.

We have made changes in Bill C–85 to the pension plan that will save taxpayers significantly; they will cut costs to taxpayers by some 33 per cent. Overall the Government of Canada has lived up to its promises on pension reform.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Madam Speaker, I welcome this opportunity to say a few words on this government bill which Quebecers and Canadians have been waiting for. At the same time, the public perception of the pension plan is sometimes erroneous. Naturally, the most visible irritants often make the whole pension system look like it gives greater benefits to parliamentarians than to those in similar fields of activity.

I think that this bill introduced by the government constitutes a fine effort and a step forward. Changes were needed. While we have questions about certain provisions, such as those regarding spouses' pensions and double dipping, that is, being paid a retirement allowance and a salary at the same time, we regard this bill as a step forward in that it remedies the two main irritants for the public, particularly the one concerning minimum pensionable age.

Let us start by stating a basic fact: every working person is entitled to a pension. Everyone wants to make sure they enjoy some degree of financial security after having reached fifty or sixty years of age. Most companies, corporations and others, have set up retirement income security systems in conjunction with their employees. Non unionized workers or people working for large companies have built themselves retirement funds with RRSPs, thanks to the privileges governments grant to those who make the effort of investing in RRSPs to build retirement funds.

So, the principle of receiving pension benefits must not be challenged, and the government did not do so in its bill. We recognize that we are entitled to benefits, however, they must be comparable to those provided not only in other walks of life, in both the private and the public sector, but also in what I would call the political sector, in other governments, in other countries and in Canada, at the provincial level for instance.

Our pension program must provide no more or less to members of Parliament, but must be a reflection of the economic reality of Quebec and Canada. In that sense, as I said earlier, the

bill before us today remedies two major irritants in our plan, one being retirement age. We must realize, however, that this concern about retirement age is new, and stems from the realization that it is possible for individuals as young as 40 or 43 years old to retire.

• (1055)

Traditionally, politicians were much older and, generally speaking, remained in office much longer.

Consequently, when the Members of Parliament Retiring Act was originally passed, the legislator did not think about setting a minimum age to be eligible for a pension, since most retiring MPs were already over 55, or had only served one term and were not eligible for a pension. The problem simply did not exist.

Elections nowadays are often characterized by a major turnaround, which results in large numbers of MPs losing their seats. For example, in 1984, the Conservatives won 211 seats, which means that several Liberal members left the House of Commons at a much younger age than the average for the previous 15 years, when we had minority governments that would change every two or three years. Indeed, throughout that period, a Liberal minority government was almost always in office, which means that the same members of the various parties were re–elected repeatedly.

Western provinces were always represented by large numbers of Conservatives and New Democrats, while the number of Liberal members from Quebec remained fairly stable, along with a contingent from Ontario and also some from eastern Canada. Consequently, even though minority governments were in office, the members remained essentially the same over a 15 year period. By the time they left office, most of these members had reached the age of 55, 58 or 60. Consequently, the issue of early retirement was not raised by the public or the House, since it only concerned a very small minority.

As I said earlier, because of the Conservative waves of 1984 and 1988, and because of a new phenomenon in 1993, namely the creation of a new party, the Bloc Quebecois, which replaced the Liberals in Quebec, as well as another one, the Reform Party, which ousted the New Democrats in western Canada as well as many old Conservative members who used to get re–elected all the time, for example in Alberta, there is now a fairly large number of MPs leaving office who are entitled to pensions. The example most often heard is that of former minister Perrin Beatty who, at 43 or 45, is entitled to a pension as a former minister, even though he is at an age where he can still make a living by using his skills and knowledge. That example is given as being representative of the situation of most MPs, but it is not.

We should take a close look at the findings of the last three reports. Each time a federal election is held, the MPs' pay plan and pension plan are reviewed, along with an assessment of their work as members or chairpersons of committees, and any other additional duties which they may have as whip, House leader, etc.

If we take the report prepared by the Balcer–McIsaac commission in 1980, it says there was no need to tinker with MPs pensions since there were no cases of younger members who ended up with pensions.

If we look at the report produced by the Hon. Gerry St. Germain and the Hon. Francis Fox, it says that after considering every aspect of the question, the commissioners felt that present retirement allowances were adequate. Here again, age was not an issue. The last report, produced by a committee chaired by the Hon. Charles Lapointe, which included two commissioners, Mrs. Pigott and Mr. Frank, made the first reference to age provisions, because there was reason to do so. The report suggested a minimum age of 55 but did not elaborate on its significance.

• (1100)

If we look at a table, we can see the percentage of individuals who receive a pension at a specific age. For instance, we see that under 40, three–tenths of one per cent of members have a pension. Under 45, one–tenth of one per cent. Altogether, 434 in the entire history of Canada. There are not thousands, as people seem to think. Only one–tenth of one per cent. Under 50, we see 5 per cent. Under 55, 7 per cent. This means that those who are already receiving pension allowances and are 55 and over represent 77 per cent of all pensioners. Over 60, 77 per cent. Add to that those over 55, which is 8 per cent, which means 85 per cent of those receiving a pension today are over 55.

Contrary to the public's perception that parliamentarians get their pensions at a tender age, those under 50 account for less than 5 per cent and those under 45 for only one–tenth of 1 per cent of the total number.

As we set our criteria, bearing in mind our democratic principles and the current state of our finances, we should also consider certain documents, in this latest report, which refer to a study of the allowances of members of Parliament, conducted by the commissioners mentioned earlier.

Let us first look at the picture in terms of salaries. The public often thinks that members' salaries are overinflated. However, if we compare Canada with other countries in the world, such as Australia, France, Germany, New Zealand, Japan, Sweden, the United Kingdom and the United States, we find Canada ranks seventh of the nine countries in salary terms. Six countries in this list therefore pay better salaries, including Japan, for example, which pays $196,000 a year for 43 sitting days. In Canada, the figure is $64,000 for 148 sitting days; in Germany, it is $102,000 for 66 days; and, in Australia, it is $65,000 for 53

days. That is surprising. In Sweden, the salary is only $36,000, and, in the United States, it is $169,000 for 144 days.

Therefore, if we place Canada among the nine countries I have just listed, we realize that it is seventh in terms of salaries paid to members. In other words, it is well behind a number of countries including France, Germany, Japan, the United States and Australia. Also, in terms of pay per day, Canada is sixth among the nine on the basis of the number of sitting days.

That is to say that the salaries of members of Parliament in Canada are far from the most generous in the world. Secondly, if we compare the salary of federal members of Parliament with their provincial counterparts, we find, as with Quebec, for example, that they are the same, give or take a few thousand dollars.

This fact must be taken into account in establishing a pension plan. Another fact that must be taken into consideration is that the people who sit here have to give up their businesses or other duties—this has been my own experience. In teaching, for example, I was earning $46,000 a year. In 1984, when I was elected, I earned $52,000 or $54,000 a year—not a huge difference really. But I had to give up the businesses I owned and hire additional staff in order to be able to do my work properly. You know when you are elected as a member of Parliament that the job is temporary.

• (1105)

That is why we should be entitled to a pension for the period of time that we put our businesses or other careers on hold, for, had we not made this choice, we would have continued to accumulate retirement income for until we hit the age of 55, 57 or 60.

It is only fair that our salaries be comparable to what MPs receive in other countries and that our pensions compare to those that public officials and MPs from other provinces and other countries receive.

Having said this, there were some rough spots, but this bill smooths them out. For example, it would change the minimum age, although this would affect only five per cent of MPs currently collecting a pension. I base my statements regarding pensions on the report of the Commission to Review Allowances of Members of Parliament, chaired by the hon. Charles Lapointe, called *Democratic Ideals and Financial Realities: Paying Representatives in the Twenty–First Century.* The report says that, in 1984, 131 MPs were defeated or chose not to run again.

Of that number, 56 per cent did not qualify for a pension; 44 per cent did. In 1988, 46 per cent of the 115 MPs who were defeated or chose not to run again qualified for a pension. In 1993, 67 per cent of the MPs who were defeated or chose not to run were not eligible for a pension. Therefore, out of the 445 MPs who left office in the last three elections, 58 per cent or 260 did not qualify for a pension. However, we must look at this system from all angles: some 185 received pensions.

Now, let us look at the amounts involved for all MPs. The popular belief is that all members can count on the allowance of a minister or Prime Minister upon retiring, when the fact is that there are only a few ministers and one Prime Minister. The rest of us ordinary members of Parliament, commonly referred to as backbenchers in both official languages, get a much more modest allowance based on our years of service.

For example, 12 per cent of members receive less than $10,000 per year in allowances; 17 per cent get less than $20,000; and 27 per cent, less than $30,000. In total, 75 per cent of former members receive under $40,000. These are interesting figures.

If you add up those receiving less than $30,000 in allowances, that is to say 27, plus 17, plus 12, you realize that 56 per cent of former members receive a pension of less than $30,000.

It is also the same with the age factor. As I said earlier, only three tenths of one per cent members who receive allowances start doing so under the age of 40, like Mrs. Carole Jacques, a former Conservative member, Mr. Champagne, the former Conservative member for Champlain, and a few Liberal members as well.

This needed to be changed and the correction was made. In addition, although allowances are not as generous as they seem to be when you take a good look at them, the government not only removed two irritants having to do with retirement age and double dipping—the fact of holding a wage–earning position while in receipt of a pension—, but also reduced by 20 per cent its contribution to the pension fund. In addition, members have to hold office longer to get the 75 per cent maximum. A member elected this year would have to sit in this place for 20 years instead of 15 to qualify for the maximum retirement allowance. This is something that we will have to take into account when voting on this bill.

• (1110)

This bill settles the matters of age, double dipping and contribution rates. These rates, which might have appeared generous but were comparable, will be reduced because of the economic situation. I would also like to look at what is being done in other countries, for example with regard to contributions.

Let us say right off the bat that Canada's contribution rate of 11 per cent ranked among the top rates in the world. By reducing this rate to 9 per cent, we bring it in line with rates in other countries. Let me remind you that the Australian rate is 11.5 per cent and that many other countries have rates of around 9 per cent. We are therefore normalizing the situation and making it more equitable for members of the House of Commons.

Let us now compare the situation in Canada with that in the provinces, because the provinces also have pension plans. For example, in Newfoundland, which is a small province, all one needs to qualify for pension rates of up to 75 per cent is to have run in two elections and to have five years of service. Members need six years of service at the federal level, compared to five years in Newfoundland. As for the minimum age, the member's age plus the number of years of service must equal 60. This means that a 55–year old member of the Newfoundland legislature with five years of service would be entitled to a pension. A 50–year old member with 10 years of service would qualify for a pension in Newfoundland but not at the federal level.

That is an interesting comparison. Given the small size and population of Prince Edward Island, which has as many people as my riding but 32 members in its provincial legislature, four members of Parliament, and a house for the Lieutenant Governor, one can understand why there is no pension for the 32 members of the provincial legislature. The minimum pensionable age for members of the Nova Scotia legislature is 50, but it will be 55 for members of Parliament. To qualify for a pension, all a member needs is to have run in two elections and to have five years of service.

Let us look at New Brunswick. There is no minimum age. Members only need 10 sessions under their belts.

An hon. member: That, too, should be changed.

Mr. Plamondon: It may have to be changed but, for the time being, this bill is a step forward. I hope that the other provinces will also take this step. A different reality may force us to take other measures. The situation facing pensioners today has changed from what it was 15 years ago. Adjustments are being made.

Take Quebec, where the rule is age plus years of service, with a minimum age of 50. The same principle is applied in Ontario: age plus years of service, with a minimum age of 55. Our situation is similar to that of the provinces, which often offer more generous plans. Manitoba abolished its plan but replaced it with a collective RRSP which will be able to offer more or less the same terms. I believe the hon. member for Hull—Aylmer, just next door, did a comparative study on the subject which showed that after 12 years, a collective RRSP was more attractive than our own system.

In Saskatchewan, the minimum age is again 55. In British Columbia, the minimum age is 55 and the rule is age plus a number of years of service. The minimum age is 55 in the Yukon and the Northwest Territories, and to be eligible for a pension, members must sit a minimum of seven years in British Columbia, six in the Yukon and six in the Northwest Territories. In other words, our system is very similar to those in the rest of the provinces and, in some cases, is less attractive. It is also very similar to what is offered in other western countries, and I am referring to so–called modern countries, countries with a decent per capita income.

I must admit that the bill also takes into account the current situation and what the taxpayer can afford. Contributions will be cut by 20 per cent. There will be a cut of $3.5 million out of a total $10 million, which means a correction of 33 per cent. However, certain irritants remain in the bill, and I will probably suggest a number of amendments when the bill goes to committee after second reading.

• (1115)

I wonder, for instance, about the decision to reject double dipping. Everyone seems to agree that when you take a former minister—again, the example of Perrin Beatty—and you appoint him president of the CBC, he should not get both his salary from the CBC and his $40,000 to $45,000 pension as a former minister. I think that is pretty obvious, and I want to commend Mr. Beatty for voluntarily giving up his pension before accepting his position at CBC.

I also want to commend Mr. Broadbent who, when his term was renewed not long ago, also gave up his pension for another five years although he was under no obligation to do so, thus complying with the government's intentions and public opinion.

However, we may have a situation where a member who has a political career in Ottawa is penalized when he obtains another position, compared to a former member of one of the provincial legislatures. Senator Prud'homme, for instance. He sat in the House of Commons, he wanted to sit in the Senate and they have to subtract his pension from his salary. Mr. Gauthier sat in the House of Commons. He is now sitting in the Senate, and his member's pension is subtracted from his salary.

However, Mrs. Bacon, a former member of the Quebec legislature who has a minister's pension, receives both her senator's salary and her minister's pension of $40,000 or $45,000.

Take the case of Senator Simard. Since I do not want to play favourites, I will take a Conservative senator as an example. The last two are Conservatives, but Mr. Prud'homme is a former Liberal. Senator Simard has been in the Senate for 10 years or so and receives a pension of about $40,000 as a former minister of New Brunswick. He does not have to subtract it from his salary.

Of course, since we are in a federal jurisdiction our legislation can only cover the federal level. I am delving into, as will the committee, the issues of concern to us. That is why I am not tabling the amendment on whether the following recommendation would be legal: that, when the Prime Minister calls someone in the future to offer him or her a seat in the Senate, the Prime Minister stipulate "I am offering you the seat on condition that you fax me a letter giving your commitment not to collect your pension as a former provincial MP, so that you are at par with the federal MPs". Then, if ever the person is appointed

to the Senate, that person's entitlements would not be any more or less than those of the other senators.

Therefore, that is another underlying problem. I was also wondering about municipal careers. When you appoint someone like Jean Drapeau, the former mayor of Montreal, to the federal public service, he receives a generous pension from Montrealers. The Mayor of Vancouver, with his experience dealing with Asian countries, would also be a potential candidate for the federal public service. He would not have to subtract his municipal pension from his salary. Of course, we are talking about different jurisdictions, but I am pondering the issue anyway.

I am giving the government and the minister the leisure to reflect on this issue and, meanwhile, I will submit it to the committee. It seems to me that this is hypocritical. On the other hand, we must also take into consideration the fact that someone drawing a good pension from Eatons, for example, after working there all of his career, who is appointed to the Senate subsequently would not have a problem. But if his career had been with the provincial government, he would.

It must also be said that the double dipping we are trying to abolish, to which we all agree in principle, penalizes people who, after a career in the federal public service, may entertain appointments as ambassadors or members of a task force on political party funding, for example. This was the case with the Lortie Commission to which former MPs were appointed and with the commission on pension reform. This duty to subtract pensions, this impediment, would make it easier to recruit people with parliamentary experience among former provincial MPs instead of federal MPs.

• (1120)

I do not know how the bill could be amended, I have no proposals or amendments to make, but I do think there is food for thought here.

I would also point out that, in our consideration of this bill, we should remember that members' salaries have been frozen for three or four, if not five, years and will remain frozen until 1997. I will give you an example. I earn $64,000. Eleven years ago, when I started here, I earned $54,000. I have therefore had increases of less than $1,000 a year, or less than $20 a week since I began sitting in the House of Commons. In the years salaries were not frozen, all we got was the cost of living adjustment. When I talk of salary increases, I am including the cost of living adjustment.

Real efforts have been made in terms of salaries. Twice while I have been a member, my salary has been reduced by $1,000 in budget speeches. MPs' salaries are similar to those of MLAs. Earlier, I compared our pension benefits with those of MLAs. I could also have compared salaries. I did so with other countries.

We have seen that the situation of members of Parliament, members of legislative assemblies and western parliamentarians is comparable. Pensions, with the amendments that will be made today, will be comparable, with ours being even sometimes less compared to pension plans in the provinces or in other countries.

This bill is a realistic step forward. It resolves certain issues discrediting the role of members of Parliament. It used to be that we received our pensions at any age and that they were very substantial. It will no longer be the case. These issues, now resolved, used to discredit members of Parliament and often sent those who might be contemplating a career in this noble place running in the opposite direction. The credibility and public image of politicians with fat pensions tended to discourage people from going into politics.

I think that correcting these two irritants can help bring our pay and pension benefits in line with those in the public sector and with politicians' pay and pension benefits in other countries and in the provinces.

In closing, may I remind you that one way for the government to make further cuts may be to question the need for two Houses of Parliament. The other place, since that is how we must refer to it, costs $50 to $60 million. Instead of saving $3 million by adjusting pensions, you would save 20 times as much by eliminating a house which, between us, is totally useless.

An hon. member: The Senate.

Mr. Plamondon: We are not supposed to utter the word "Senate" here in this House. We must say "the other place". My colleague referred to it by name but he is not supposed to. We know whom or what we are talking about. We have great respect for the people there, but we no longer see the need for the institution itself. We tend to think of it as a leftover from colonial days, as a big dormitory.

Incidentally, a great lady, Mrs. Chaput–Rolland, now retired, referred to the other place as a big dormitory in a book that she wrote. She even talked about "the hon. sleepyheads". I think that she went much too far. However, in this era of budget cuts and pension review, we should think about the need to maintain this refuge for the Prime Minister's political cronies.

• (1125)

Nova Scotia, Quebec and the other provinces with senates abolished them. I feel the time has come to think about this and save taxpayers $50 to $60 million. We should also think about the need to maintain a house for the Lieutenant Governor in each of the provinces. Our Lieutenant Governor does not sleep in Prince Edward Island or in Quebec City very often. Most of the

time, he sleeps in a hotel and not in the house reserved for him. We should perhaps think about all these houses we have to maintain and turn them into profitable museums.

Perhaps we should also reconsider the relevance, especially for a government proclaiming from the rooftops its Canadianity and its pride in the Canadian flag, of maintaining at the top of the parliamentary hierarchy a representative of the Queen, a lieutenant–governor. That is another position that could be abolished. We could look into that too. There is $10 million attached to this position. That is how much we could save today.

To conclude, I wonder also about another possible way we could save money. We have just adopted a bill on electoral boundaries increasing the number of members of Parliament from 295 to 301. This is a big problem. If we compare this place to the legislatures of other countries, we can see that there is something wrong with the Canadian system. Let us see how we shape up against our neighbours, the United States.

For a total population of 27 million, we have 295 MPs. With a population of 270 million, ten times ours, the Americans should have ten times more representatives than we do, or 2,950. Yet, there are only 495 representatives in the American Congress. I think we are the odd ones. Why not take the lead of France, England or the United States and bring the size of the House of Commons down, proportionally to population, to say a hundred or so members?

Considering what each member costs—we are talking about at least half a million dollars a year—in electricity, stationery, clerical support, this would mean savings of 200 times $500,000, or $100 million.

We should consider this if we really want to get back some of the credibility we lost in the eyes of the public and see our work in this place regain prestige.

[*English*]

Miss Deborah Grey (Beaver River, Ref.): Madam Speaker, I am glad to participate in this debate today.

I would like to say by way of introduction that the most pathetic thing I have heard today is not a government trying to defend this plan, which is still far too rich for the Canadian taxpayers' blood, still far too generous, but more pathetic than that is what I have heard from a Bloc member who is fully endorsing this plan, who says that it goes a long way and that it corrects certain irritants.

This is a group of people who want to opt into this pension plan when at the same time they are sitting here trying to opt out of the country. That is disgusting. They cannot defend that. It is indefensible in this Chamber. It is indefensible in any one of the ridings this member would choose to travel to across the country. "Corrects certain irritants"—let me assure you, Madam Speaker, that the only irritant—

[*Translation*]

Mr. Plamondon: On a point of order, Madam Speaker.

I think that, if you had paid closer attention, you would have realized that my right to sit in this place is being questioned. I was elected democratically like every other member of Parliament.

[*English*]

Miss Grey: And democratically elected he was. Let us ask him to carry on in his democratically elected position sitting in the Parliament of Canada.

I talked about correcting certain irritants. The only irritant is with the Canadian public, who are paying the bills for this pension plan. I suspect this will not correct any irritant for them.

We have been trying to do some research during the last couple of days since this bill was brought in last Friday and introduced to the House for debate today. As I look at the figures, the numbers simply do not add up.

• (1130)

I am going to mention this opt–out clause now and then I will mention it several times again. I am going to keep mentioning it across this country every chance I get to speak. There is an opportunity for the class of '88 and anyone who was elected after them, such as myself and my colleagues, to opt out or not to opt in. We will look at some of the optics of that later. My friend from St. Boniface, for instance, and all the rest of them who were elected in 1988 have the option to opt out. I will be referring to that later and issuing some challenges to them.

Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision for a pension for members of Parliament, is being debated. It certainly has been a long time coming. It was a promise in the red book, and I am pleased to see that the government is doing something about it. The Liberals are fulfilling their promise for age 55 and no double dipping allowed, but they do not go far enough to correct the irritant of the people who are paying for this pension plan. Of course that is the taxpayer.

I suspect there has been quite a battle in the government caucus about when they would bring this in. It was made clear to me by Treasury Board within the last couple of weeks when the minister's press secretary assured my office that we would have an opt–out clause for me, Deborah Grey, Beaver River, because I was obviously so concerned about this.

It looks as though they have gone perhaps one step further on that and allowed the whole class of '88 to opt out. I applaud that, and I will have my pen out to write down all those colleagues of mine who are going to opt out.

We have called for pension plan changes for a long time. The minister, in his remarks earlier, said that we had an opportunity to discuss this plan in the House of Commons earlier, as if that were some kind of noble gesture from the minister. In fact that was on November 22, when I, the member for Beaver River, introduced the motion on our opposition day to talk about the MP pension plan. So it was hardly some great initiative on the government side.

In fact I would love to quote reams out of *Hansard* of that day. People stood in their places, a lot of them from the class of '88 because that was the day after their trough day, when they qualified for the pension and their benefits had become vested. They stood in their places and said: "We do not make all that much money". Compared to the private sector, no. Sobeco Ernst & Young proved that in their report. "We have families and we have homes". Of course we do, and we have to take that into consideration.

It goes on: "I just bought a house and I have a mortgage, so I need a pension; I had to lose my job from before; I sacrificed a lot for public life". On and on the tirades went. Yet when I look at the things they had to say and when I look at how the Canadian public viewed that debate that day and then I stand and hear something like this today, it makes me pretty sad. It makes me pretty mad also, because this is unjustifiable. This plan is indefensible and we simply are not able to condone it.

We called for changes that would move the retirement age to regular retirement age, age 60 perhaps. It is not that we are against a pension. We have never made that assertion. We have never made the comment across the country that we are against pension plans for members of Parliament. It is not in our blue sheet of Reform policies anywhere. One would not find that Reform MPs are saying we do not want any pension. What we are saying is that we want a fair pension, brought more in line with the private sector, moved to regular retirement age. Let us make sure that we are not getting some sort of special treatment.

I talked yesterday on the lobbyists act about two–tier systems for lobbyists. I talked about the two–tier health system that exists in this country for Canadians from coast to coast as well as for regular public servants on the Hill compared to MPs on the Hill. There are two tiers on a lot of things.

I do not think that anyone in this House today can justify that we think we deserve a two–tier pension system. It simply will not fly in the public. I go around and speak to various people and I am sure government members do too. They hear from the same Canadians I do. They travel around and hear from people and take heat on this.

I suspect that is one reason why the Treasury Board assistant said to me the other day and again today that the minister is trying to get this through by the summer recess so that it is all done, tucked away, and hopefully everyone will just forget about it and keep quiet.

The last government hoped that a lot of people would forget about a lot of things and keep quiet also. It simply does not happen. They did not forget about it. And we will never forget what happened to them in the last election. Perhaps it is a sign of things to come.

• (1135)

We want a fair pension plan. But we are calling for a pension plan similar to that of any other person in the country who buys into a private pension plan. That is, the employer will contribute one dollar and the employee will contribute one dollar, dollar for dollar. When I was with the Alberta Teachers Association I put in x number of dollars a month, and the ATA put in x dollars a month to match it.

We have seen the numbers. They range from $6 or $7 to $1, and now we are being told by Treasury Board that it is down to $3.60 to $1. Whatever it is, it is still obscenely rich. There is not another person in the country, except this insular group sitting in the green chamber and the folks on the other side of course, who are going to be able to say: "I gave up my life for public service. This was my sacrifice to the country." Well, if it is going to be a sacrifice to the country to serve in this place, then let us make it a sacrifice, so that we are not spending some obscene pension and living on it for the rest of our lives, and we will not feel guilty about the dollars we collect that other people have paid.

I hear from both sides of the House today, from the government and the official opposition, that it is okay because we have made some incredible sacrifice. I do not consider this to be a sacrifice.

I miss being at home, and I can hardly stand to leave my husband every week, but when I think about the opportunity we have to serve in the Parliament of Canada, it is remarkable. Surely we cannot whine and cry and go home to St. Boniface, Halifax, or Sherbrooke or wherever and say: "This was my sacrifice for the country, so I am going to collect a heap of cash. Sorry about that, folks, but this is what I did for you and the country, now this is what you are going to do for me". It will not fly. It is indefensible and unacceptable. So why not a fair pension plan? I do not know.

It would seem to me that the provision for virtually full protection against inflation is totally unchanged. Surely that is something that could be brought in. We do not see that in the legislation.

Many people do not know that at age 60 the present plan will be indexed to inflation back to whenever it was the person stood for a pension. I qualify right now at age 42. I would get

everything back indexed for inflation at age 60. That also is indefensible. Members across can try to convince me and the people who are paying the bills that it is defensible. I do not think we would see that anywhere, that any constituents across the country who will be putting an X somewhere at the next election are going to say it is justified. It is simply not going to work.

As I have pointed out before, it is something rarely found in the private sector. We are not going to find private pension plans like this. The husband of one of our members is an expert on mutual funds and RRSPs. He works in the insurance business. He would never stand publicly and say the private sector has the same plan as MPs, fully indexed back to age 42. That will never be seen. We all know it, especially the people who are paying the bills.

An hon. member: It is a double standard.

Miss Grey: There are also some people who would say that it is just one way of giving a raise to MPs while avoiding public scrutiny. A study that was done by Sobeco Ernst & Young talks about that. The minister went on at great length about how we are perhaps underpaid and overpensioned. Something has to be done with the whole package deal to bring it into line. This certainly is not going to address that.

Many people would say, and I agree with them, that the increase to MPs' pensions, pay, perks, and everything else should be debated by the public, the media, and in the House. In fact, if we are sitting around as a collective, insulated group of people asking what we are worth: "Charlie, what do you figure, how much are we worth?" We all talk about it and say we are wonderful, it is unanimous, and we are such and such. That is exactly the way it has been done for years in this place: "How much are we worth, folks? Okay, that is what we have."

There is an inside group determining the rules and regulations of MPs' pension plans: Well, we are worth this much pay. What do you think we are worth, folks, for our pension? Do you not think we should be looked after? The whole country knows that we certainly have sacrificed and we are hard done by. So what are we worth for our pension, $6 to $1, or $4 to $1, to use the government's new figures? Is that what we are worth? Yes, it is unanimous again. Are we not wonderful? There we go, we are in the cash. We are in the trough.

• (1140)

Nowhere across the country would one find that.

Let us have an independent, arbitrary commission that will look at this and say that those people are worth *x* amount of dollars for their salary and *x* amount of dollars for their pension, and because we are paying the bills, we will determine what they are worth and what their pension plan will be. Let someone on the outside of the group who is an expert in this area determine it, rather than us sitting around in these hallowed halls saying we are worth a whole lot, so there we are, and my friend thought that was a great idea; we are here and the government is looking after us. There is absolutely no logic at all to it.

This bill establishes the minimum age of 55, which is certainly a step in the right direction, I will give them that. At least they did not make it any amount, like it was before. The minimum age is 55 for benefit eligibility, which is still too young. And it only applies to a portion of some members' benefits. Many members of this House will still get pension payments as soon as they leave politics.

For example, my friend from Sherbrooke down the way was elected young and is still young. If he leaves tomorrow he would still cost taxpayers over $40,000 a year. If he lived to the age of 75 he could cost the taxpayers $3.5 million. There is no way one could go to a town hall meeting and justify that.

The Prime Minister certainly is older and has had a long and distinguished career in this House. We realize and recognize that. Under the old plan, he would collect $90,000. Under the new plan, granted he will receive a little less. However, we are looking at a total of $2.1 million. That is a lot of cash.

My friend from Halifax would collect $19,491 under the old plan. If she lived to 75 years old she would collect $1.1 million. I am a little younger than her by about three or four years. The work done by the National Citizens' Coalition on my pension was that if I were to retire now, at age 42, because my benefits were vested on March 13, and if I lived to age 75—and sometimes in this profession one wonders if they will make it that long—I stand to make, gain, profit by $1.8 million. I will not use the word steal, because theft is something we do not approve of, but I think of other people out there paying the bills and being demanded to pay the bills by some select few here who think we are worth more than everybody else.

Because I am opting out of this plan I have been ridiculed and scorned, which I am used to in this House, by somebody who says "Oh, isn't she opportunistic". That was said to me in question period just last week or a couple of weeks ago when I asked the question. They said: "That Reformer from Beaver River is such an opportunist".

Money talks, as Neil Diamond used to sing. If I lived to the age of 75 and was fully indexed way back at age 60, under the old plan I stood to gain $1.8 million, which is pretty close to what my friend across the way would receive, give or take a few hundred thousand dollars, but what is that when we are talking those kinds of dollars?

Under this new plan, which is supposed to be so good and so effective in cutting down so much spending and so much of the taxpayers' dollars—and I hope they are getting angrier by the minute, because they are paying the shot for this—I will receive $1.2 million. Does this seem like a justifiable savings? I would hardly think so. Yes, it will be less. Yes, the government talked about the fact that we would be saving taxpayers 30 per cent of their dollars. But when we look at the size of the pension they are

paying out, it is going from $1.8 million down to $1.27 million. That is what our calculation is.

• (1145)

In this Parliament they are putting in $3.6 to every $1 that we are seeing but we still cannot justify that because of the $1 for $1 employer–employee contribution rate I talked about earlier which every other Canadian would enjoy if they had a private pension plan. I stand to gain $1.2 million. There is no way people across the country will buy this, red book or no red book.

When there was a commitment to save taxpayers money, if we are saving them a little cash from $1.8 million to $1.27 million we could harp on the savings and make it sound absolutely terrific but at the same time we think they are paying way more than they would pay if we had a regular pension plan.

The income tax rules for a registered pension plan state benefits must be reduced by at least 3 per cent per year if collected prior to attaining the age of 60, or alternatively has 30 years of eligibility or attaining age and years of service totalling 80 years. Lots of pension plans across the country have that, as the minister stated, adding age plus years of service.

That point is consistent with the recommendations also made in the Sobeco Ernst & Young report but this rate at which benefits accrue has been lowered from 5 per cent to 4 per cent per year. When we look at that we say that is good. It is going in the right direction. I draw to people's attention who are paying the bills for this that the 20 per cent reduction from 5 per cent down to 4 per cent on the payout will only apply to members whose benefits do not straddle the existing and revised plans.

Most everyone in the House is a straddler. Many of them were elected in 1988 and so they are in the old pension plan but they also straddle the new pension plan. All of us in the House are in the position that we still have one foot in the old and one foot in the new because these changes are being brought about in the 35th Parliament.

For far too many Liberal members in the House the reduction in benefits will be significantly less than 20 per cent due to most of their benefits having been accumulated at the 5 per cent rate. Many of us have been in the House for several years now and so we are looking at the 5 per cent rate. If we are to say that after royal assent it will be down to 4 per cent, we have been paying in for years at that rate and the amount will be far less.

In addition, under either the existing or the revised plans the total contribution of members relative to total benefits received will not change significantly, as I mentioned with myself. A member will contribute approximately 6.7 per cent relative to the total benefits received as they do under the existing plan.

I say let people know we are straddling something here. To me we have an option. I think of former Prime Minister John Turner who said he had no option. There are people across the way today who are still every bit as Liberal as Mr. Turner was and they cannot say what he said. They have an option. Whether it is opting out or opting in we will still discuss the semantics of that. It has been said to us that we have to opt out; in other words, we have to sign within 60 days if we say we do not want to take this pension plan. It has also been mentioned that we will have to opt in; in other words within those 60 days people who will say they will go on the regular MP pension, they will opt in.

I guess the semantics and the logistics of that are if I am to opt out I have to take my little trotters out of the trough and that is an active move for me to step away from the trough and say I do not want it, I cannot justify that back home, I will take my money elsewhere and I will invest it in the best way I can.

The flip side is if it is to opt in, and these are the semantics and the logistics of it, the people of the class of '88 have the option to opt out because the government did not put it in for the older ones. It says it cannot bring in retroactive legislation because it would be unfair. It brought in retroactive legislation, Bill C–22, on the Pearson airport deal and brought in retroactive legislation on the EH–101 helicopters. It amazes me that for some things it says "retroactive, no problem; it is a red book promise and we will do it". On something else that affects the wallet it cannot go retroactively.

In any event, here is the picture. I have to take my trotters out of the trough and step back and say I opt out. The class of '88 will have to get their pens ready and make a conscious decision to step into the trough on all fours. They say: "This is it. It is a sacrifice. This is my public service. Dear knows I have served the constituents of wherever long and hard and, don't you know, this is owed to me? This is my money". There is no way they will ever convince anyone in the country that is their money. It sounds like the ad on an Edmonton radio station that says: "I am talking about your money", as he gives financial advice.

• (1150)

This is not our money. I do not know what it will take to convince the government and Bloc members that this is not our money to free–wheelingly spend. They have to crawl back into that trough, not out. There will be people who will remember that. They will have the vision in their minds of people saying: "Here is my letter. I am opting into the pension plan. I am really sorry but cabinet convinced me to do it. I had no option". We know what happens to people who say they have no option.

People will take the option. If they say someone had the option to opt out but copped out, they will make the decision on the next election.

The members of the 1988 class in Parliament will have to make the decision about whose money this is and what they will do with it. They either opt out or they will cop out, and there will be a price to pay.

They will be sanctimonious. They will say: "Look at the member for Beaver River. There goes Deb again. Does she not go on and on?" I am sure my friend who is sitting in the House today is taking notes and will have a wonderful time with this. However, I would feel far more comfortable going home to a town hall meeting in St. Lina, St. Paul, Bonnyville, Mallaig, Therien or wherever else and saying: "That was your money and I will not spend it", rather than going home to St. Boniface and saying: "That was your money but sorry, I will spend it".

The Acting Speaker (Mrs. Maheu): I ask the hon. member to please try to control the attacking and use normal parliamentary procedure.

Miss Grey: Madam Speaker, I stand to be corrected. We are talking about debate and I am sure that all of us need to be prepared to go into our places at home. If I said anything unparliamentary I ask your forgiveness and ask the Chair to straighten me out on that and chastise me. If I am debating I would like to continue debating.

The Acting Speaker (Mrs. Maheu): I have no intention of chastising the hon. member, but from the very beginning I have noticed that certain comments are bordering on what I would not accept as being of the integrity that we have been seeing in the House. I hope we would be a little more careful.

Miss Grey: Thank you, Madam Speaker. Let me continue by asking how the government gets around its own laws in paying these extravagant benefits. It uses the retirement compensation arrangement. People watching this do not have a clue. They know that hopefully we pay a lot of money in, $600 a month, and we get a lot more money out. If that is attack, I do beg forgiveness again, but those are the numbers and that is the way it is.

The plan created by the Members of Parliament Retiring Allowances Act is what we pay into but it contravenes the Income Tax Act. How do we get to pay more into a pension plan than those who are contributing in the private sector? We do so by writing our own rules and using the retirement compensation arrangement or an RCA account.

As we see in section 4300 of the income tax regulations, RCAs were originally introduced in October 1986 to prevent taxpayers in the highest tax brackets and employees of non–taxable entities from deferring the payment of tax, which happens across the country. Contributions to an RCA are subject to a 50 per cent refundable tax under section 207.5(1), which also applies to any investment income plan; most retirement plans are invested. It is a very expensive way to fund a retirement plan for anybody but the government.

As a report produced for the National Citizens Coalition points out, the use of the RCA means the government is going through the motions to comply on paper with the provisions of its own law. In other words, this looks legitimate under the Income Tax Act because it is all right under the RCA.

• (1155)

Madam Speaker, when I was called opportunistic that hurt me and maybe that bordered on something unparliamentary. I would have loved it if you had jumped up in my defence because I am giving up a lot of cash. As somebody who is opting out I should mention the effect Bill C–85 and the RCA account will have on me because it is substantial.

I trust there will be some opting out from the government benches because the full class of '88 is in the same position I am; all of us on this side of the House with the exception of a few Bloc members who were here before sitting as Tories.

The portion of my contributions that went into the retirement compensation arrangement, the RCA, or 7 per cent of everything I have earned in the last six years I have transferred over. I now will have to pay tax on it. It is one thing to think that I am somebody who is opting out and will just scoop up that money. The government says I can get all the money back that I have contributed but with zero from the government. It would be wonderful to say: "I opt out of the rich stuff, please just give me my contributions plus matching contributions from yourself". That is all we are really asking. Make it fair. Make it in line with the private pension plans. I will only be able to get back my money at 4 per cent interest, which is the money I have put in.

It would be wonderful to roll that over into RRSPs, mutual funds or whatever, but I will have to pay tax on 4 per cent of my income which is in a separate fund. The portion the government puts into a legitimate registered pension plan has been sheltered from taxes.

I do not know if I am making myself clear enough. It has taken me ages to figure this out and so I do not expect somebody watching television to figure it out immediately.

The 11 per cent I am putting in is broken into 7 per cent and 4 per cent, with the 4 per cent sheltered from taxes. The 7 per cent we put into the other fund will be taxable. We will have to pay tax on that now while we are in a higher tax bracket rather than later when we are retired and living at a lower tax bracket. It means we will have to put more in.

If I had the option I would have taken the entire 11 per cent I have been putting in for six years and some months and gone to my financial adviser. I would have said: "Here is this much money per month; please put this into mutual funds and I will accrue the interest. You invest it wisely and I will be able to live

on it". I could have done that. I had the option. Maybe, but no. It was law that I had to this and put it into this plan.

Really I had no option. I wish I had because I would have taken that money, the whole 11 per cent I had been putting in, which is $600 a month, and I would have said: "Please do something with this. Put it into RRSPs; put it into mutual funds and I will collect the interest on that and I will look after my own retirement. This is my money, my salary, not public money. I will let regular sources of investment planning look after my retirement".

Mr. Penson: Like most Canadians have to do.

Miss Grey: Exactly the same way every other Canadian has to do it. Instead I was bound to put 11 per cent in there. It will pay me 4 per cent interest. With mutual funds, if I had been investing that $600–odd dollars a month, I could have been getting back probably 9 per cent or 10 per cent. I would have been sheltered from paying taxes on it now. I would be glad to pay taxes on it later; it is the way the regular RRSP plan works in this country. I would have been able to put all of that money in, but instead I was bound by law. Now I have the option. Now I am taking that option, although it does seem a little ridiculous that the government will not even pay $1 to $1 contributions.

Apparently to compensate members for the minuscule reduction in their future benefit accrual rate the government has also lowered the amounts members contribute toward their own pensions. The minister mentioned that. He said that instead of 11 per cent we will now be putting in just 9 per cent.

• (1200)

There has been all kinds of talk about whether or not it raises the salary of an MP. I will not argue about those figures. If I am not putting in eleven and I am putting in nine that gives me more disposable income. There will be more cash on my monthly cheque.

Let us think for a moment about reducing accrual rates from 11 per cent to 9 per cent, what I would have received if I had opted into the pension and what I might have received if I opted out. I want to look after my own money, my own retirement. I do not want to be dependent on the government. When I am older I want to look after myself with RRSPs. I do not even want to be a burden to the government if I am younger and collecting the MP pension plan that is so rich and generous.

If I had been given the option of taking the $600 a month that I have been putting into the MP pension plan and putting it into my own retirement plan, I could have put in $600 a month from 1989 to 1997. Let me use that nine–year period. What would happen if I had put $600 a month into private RRSPs, mutual funds, rather than into the MP pension plan? Age 75 is the average lifespan. Many people have calculated the average age to be 75 and how much they would get by age 75 with inflation at age 60. If the variables correlate to each other on par and I were to collect about 7.5 per cent interest, which is reasonable and fair, I would collect $663,900.

If I put $600 a month in for eight or nine years and let it sit there accruing interest I would get back at age 75 about $664,000. If for some reason I was particularly lucky and obtained a 10 per cent rate I would stand to gain $1.29 million. Under the pension plan that the government is putting in $3 or $4 to $1, I would stand to gain about $1.2 million.

This is hypothetical because I had to put money into the pension plan. I would collect about half what I stand to gain under the new plan if I put the money into RRSPs. It is no fun to collect only half. I do not think any member in the House would ask: "How stupid do I look?" Is it more fun to collect $1.2 million or $660,000? Obviously whatever we get we could live into that income, but the fact remains that the $664,000 I invested, that somebody went out and invested on my behalf, would be my money. At the grand old age of 75 I would be able to collect that money and say: "I did this. I looked after myself. I was not dependent on government and I feel good about that".

I would have a hard time collecting the MP pension plan. I would feel a little guilty spending the money because it was not my money, because I did not earn it myself or look after myself financially.

According to the Treasury Board, members will now contribute $1 for the $3.61 taxpayers contribute. That number was a lot richer in the last Parliament. It seems as though there was a great sweep of this place in 1993 and a lot of the older members left. There are many new members in the House right now. That is the largest reason. We were told by Treasury Board—it is not some figment of my Reform imagination—that it would be $3.61 to every buck we put in. It looks better. It looks more noble. It looks like there is a real saving but it has nothing to do with any nobility on behalf of the government.

It has to do with the fact that generally there are more new members in the House. That is what we were told in the briefing by the department. The government pays a generous rate of interest on this account, which is a cost to taxpayers but which is not included in the total cost of the plan that the government admits to.

My point is that in the public accounts of 1993–94 last year they paid interest on $23 million. That is kind of scary because it goes into government expenditures. At the same time it does not specifically look like it is paying the MP pension. It is just amazing. They are spending $23 million on interest and it is nowhere in the budgetary figures.

• (1205)

Many members on the opposite side of the House have spoken both during their election campaigns and later in the House on the need for changes to the plan. I do not mean to be critical at all. In fact I applaud the member for Lambton—Middlesex who indicated to her constituents during the election campaign that the MPs pension plan should be, and I quote from *Hansard*, "more fair to the general public's pension plan". I applaud her for that. It is terrific.

Similarly the member for Waterloo indicated in the House that during the campaign he supported the minimum age of 60 years. The member for Ontario said that he would opt out of the plan. This is not something we are trying to make our issue. It should be a totally non–partisan issue. We are talking about cash and not politics. It will cost money. Anyone on both sides of the House who has the nerve should be rewarded and applauded for opting out of the program.

Let me conclude my remarks by saying that the signal the bill sends is more important than anything else. It seems unfortunate to me that the signal being sent is that we are reducing the fat a bit, that we are sacrificing an incredible amount for the country but we will still take a lot more cash than anyone who is buying into a private pension plan.

This is unacceptable to us. We applaud the government for bring in the bill. I am sorry to say it is not good enough. It will not withstand the test of fire by the people who are paying the bills for it. Therefore I move:

That the motion be amended by deleting all the words after the word "that" and substituting the following therefor:

That Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be not now read a second time but that the order be discharged, the bill withdrawn and the subject matter thereof referred to the Standing Committee on Procedure and House Affairs.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I rise in the House this afternoon to make some comments concerning Bill C–85.

Primarily I should like to deal with the issue of fairness in Bill C–85, to talk about some alternatives the New Democratic Party has put forward in the past which we will continue to put forward in the future, and to make a recommendation to the House with respect to the bill.

• (1210)

I have served in the Saskatchewan legislature in the past. I have made speeches in public, in legislatures, in private and in other places about adequate compensation for elected officials. I have always believed, as the majority of Canadians believe, that if we pay adequate compensation to elected officials they are accountable to us. If taxpayers pay the fare for pay and benefits in a satisfactory way, the elected officials will be accountable to the taxpayers who pay the pay and benefits whether they are current or deferred.

I have made this speech in many forums. I have had support from almost 95 per cent of the people who have listened to my comments, in particular those in Saskatchewan. They agree that elected officials should be adequately compensated so that they can do the business of government and provide good, honest government.

Unfortunately for eight years in Canada we have seen the Mulroney government govern in a way that most Canadians rejected unanimously. As a matter of fact they only elected two members of Parliament as a result of the Conservative record. We have seen a government in Saskatchewan under Grant Devine Conservative for nine years, driving the province into bankruptcy and being totally dishonest with the people of Saskatchewan. They are despised by the people of Saskatchewan. The latest event in Saskatchewan is that one–third of the former government's cabinet and caucus is now facing charges before the courts for the type of alleged dishonest actions the taxpayers and the voters perceived them to be following when in government.

The Mulroney government drove our country into debt, gave tax breaks to the wealthy, hurt the poor, attacked the middle class and served the country in a very dishonest fashion. It is the same with Grant Devine, premier of Saskatchewan. Taxpayers have the same attitude toward him. People would say that paying those politicians a dollar a year would be too much, and I believe they are right.

Prior to the 1993 federal campaign in Canada and the 1991 provincial campaign in Saskatchewan, we have seen people who are disenchanted and cynical about elected politicians because of corruption, dishonesty and incompetence. New Democrats have always said, and we are supported by Canadians across the country, that if the government is good and honest and provides a fair agenda of legislation, pay and compensation will not be issues. They would wish to pay elected officials in a satisfactory way.

J. S. Woodsworth once said: "What we desire for ourselves we wish for all. Elected officials are elected with integrity, with common objectives, with individual objectives to serve their country". I think J. S. Woodsworth was saying that to get elected to Parliament to serve the country and do to fellow Canadians what we would like to have done to ourselves and is an honourable approach to government. He worked very hard as have the CCF and the New Democratic Party over the years to achieve those objectives.

We see in Bill C–85 one step forward to perhaps addressing the pension issue, the pay and benefits aspect of elected officials. However I am not sure whether it goes far enough. Canadians will judge that as time goes on.

With respect to desiring for ourselves what we wish for all, as J. S. Woodsworth has said and as has been quoted by many thousands of people over the years, we in the House of Commons and in the Government of Canada must show Canadians by example that it is a good government, that we are parliamentarians with honesty and integrity, and that we will introduce and support legislation to benefit Canadians as a whole rather than hurt Canadians. If we do this the attitude toward politicians will be much fairer and less cynical and we will be faced with spending a lot less time debating issues like a pension or salary package.

• (1215)

I also want to make a comment with respect to the Reform member for Beaver River who said that she is taking a reduction in pension and that this is an honourable thing to do.

Public service and serving the public is an honourable thing to do. Firefighters, police officers, provincial, municipal or federally elected officials are honourable professions in this country. It is no different from homemaking, working in retail, working in a steel mill, working as a teacher or in other areas. These professions are very honourable. They in essence serve the good of the country and the public.

If I were wealthy, I would gladly do this job for free. Most parliamentarians in this House would say the same thing.

As a matter of fact in the United States a large number of wealthy people govern the country, but Canadian taxpayers will say: "Who will the wealthy govern the country for? Will they govern the country for those who are on welfare, those who are single parents, those who do not have an education, power or pensions or other sources of income to support them? Who will they support? Will they support their own kind or will they support all Canadians?" In the American example we see very clearly that to be active in politics you have to be a millionaire or a multimillionaire just to run for office, never mind serving your country.

There has to be fair compensation with respect to elected officials. Most of us would serve if we were not paid and were able to have some other income to sustain an adequate lifestyle. As long as members of Parliament set their own benefits, Canadian taxpayers will believe benefits are too generous.

We see in the Reform Party and others in politics, the former Conservative governments, that they play the mugs game. It is not a winning game. It does not matter if we get paid $64,000, or $90,000 or $15,000 a year, it will still be too much in some people's eyes. That is fair. They are entitled to their opinion.

The point I am making is that we have to look at this pension bill in a very broad way. We have to recognize some of the arguments on both sides of the issue whether it is a mugs game: "I am going to bid down the pension; I am going to bid down the salary; vote for me, vote for me," or whether we are going to say: "I am elected as your member of Parliament. I am going to conduct myself in this House on behalf of this country in an honest, hard working way to ensure that my constituents have as much opportunity as possible for input to government and to ensure the decisions we take benefit as many Canadians as possible, not just a few".

Canadians have to be aware that it is a mugs game when we start bidding down benefits, and who is to benefit? The benefactors will be those who are rich and wealthy enough to seek public office. They will represent those who are rich and wealthy who already in most part influence this country through the Conservative Party, the Reform Party and the Liberal government of the day.

Most of the wealthy corporations contribute to those three parties. That is something the ordinary taxpayer has to be more aware of. They have to say that perhaps they should elect to Parliament people who are not wealthy, who do not support the wealthy, who are not on big pensions like many of the Reform members are.

I question the Reform's tactics and motives. In the Reform Party many members are receiving military pensions, teachers' pensions, former MLA pensions. They have all sorts of other private sector incomes and they are saying let us do away with this and let us do away with that.

Meanwhile they are ignoring the real problems of our country: the lack of jobs; the lack of commitment and resources to law and order; the lack of commitment and resources to our social programs. They do not care about people. They are just trying to make a political point and play a mugs game which they may or may not win.

If they win one battle they may be happy with that. The alternative is that people may not be too concerned about how low we go. I think they are more concerned about how hard we work and what kind of positive governance and representation in this House we give them.

• (1220)

The second point I wish to raise concerns the positive steps Bill C–85 has taken. I want it to be known that I am not endorsing the bill. However, I want to say that New Democrats have led the country in pension reform since 1979, unlike Reformers who have only talked about it since the last election.

I refer specifically to Saskatchewan Premier Allan Blakeney. On July 1, 1979 a bill was given royal assent in Saskatchewan to change MLA's pensions from the defined benefit plan, which we are now under in the House of Commons, to a defined contribution plan, which means it is a money purchase plan. It is like an RRSP. The member puts a dollar in and it is supported by the employer matching it with a dollar. Whatever is put in and

earned through various investments is what the member will receive.

The leader of the NDP, the hon. member for the Yukon, went on record in 1991, 1992 and in subsequent years calling for an independent commission to review MPs pay and benefits and in particular the pension plan.

The NDP has been doing this for 16 years. Bill C–85 is a step in the right direction. First, it reduces pension benefits by 20 per cent. Second, it raises the age of eligibility to 55 years from no age before. That is quite positive. Third, it reduces the cost to taxpayers by one–third, which is an honourable objective. It is on the right track and I believe most Canadians would agree that it is a positive step. Further, it eliminates the double dipping issue, which the minister spoke of earlier.

I would suggest that this bill not be endorsed in its entirety, but that it be referred to a standing committee—

Mr. Williams: Madam Speaker, I rise on a point of order. There does not appear to be a quorum in the House.

The Acting Speaker (Mrs. Maheu): I do not see a quorum. Call in the members.

And the bells having rung:

The Acting Speaker (Mrs. Maheu): Quorum is present. Resuming debate.

Mr. Solomon: Madam Speaker, New Democrats have led the country in terms of pension reform provincially and federally. As a matter of fact, in September 1994 I introduced a private members' bill which proposed a money purchase plan for members of Parliament that was based on the Saskatchewan model. There were a fair number of members who considered that plan and thought it worthwhile.

I also introduced private members' Bill C–314 which is calling—

Mr. Williams: Madam Speaker, I rise on a point of order. There does not appear to be a quorum in the House.

The Acting Speaker (Mrs. Maheu): There is no quorum. Call in the members.

And the bells having rung:

• (1225)

The Acting Speaker (Mrs. Maheu): Quorum is present. Resuming debate.

Mr. Solomon: Madam Speaker, I noticed the Reformers who are calling quorum do not have any members in the House themselves, so I am curious about that.

The Acting Speaker (Mrs. Maheu): I am sure the hon. member has forgotten that we do not discuss the presence or non–presence of members in the House.

Mr. Solomon: Madam Speaker, Bill C–85 has a double dipping feature. I might add that I introduced a private members' bill which calls for addressing the real double dipping issue. My bill on double dipping is not included in Bill C–85 but I propose it be considered. Members of Parliament who are elected and receive pensions or other income would have their MP salaries reduced dollar for dollar with respect to the pensions they are receiving.

I say this because a host of members of Parliament stand in this House from time to time and call for a reduction of this or a bidding down of that. They are receiving huge pensions, whether they are military pensions like the Reform Party members, or MLA pensions like the Reform Party members, or municipal pensions or provincial government pensions or pensions from companies or government agencies, boards and commissions.

Those members stand and say: "Let us cut this and cut that because we are already getting $61,000 a year or $41,000 in big pensions". Canadians have to be aware of that. I would like to see this bill adopted by this House. If you are receiving a $60,000 a year pension, then you can serve your country for a $60,000 pension plus $4,000 more to make up the difference between the member of Parliament salary and the money already being received from the public treasury.

However, I do not see the Reform members standing up and talking about this, or even the Liberal government members. However I would ask members to consider that.

With respect to the money purchase recommendation I have said the NDP government in Saskatchewan and New Democrats across this country have led pension reform. We have had a tradition of working toward a fair plan. To ensure fairness the Liberal government must appoint an independent commission to review this legislation to ensure it is fair for taxpayers and plan benefactors. As long as MPs are setting their own benefits, Canadian taxpayers will believe benefits are too generous.

I might add that Saskatchewan is a model yet again today. It has led Canada for 16 years in pension reform but today it introduced pension legislation yet one more time. It has announced a series of reforms to the MLA pensions which are deemed by the Canadian Taxpayers Federation and the National Citizens' Coalition already to be the fairest in the land.

I quote from an article by the Association of Saskatchewan Taxpayers:

> The pension plan for Saskatchewan MLAs elected after 1979 is one of the fairest political pension plans in Canada. For every dollar these MLAs contribute to their pension fund, taxpayers match it by $1. MLAs can only draw benefits based on what their own fund earns.

This is called a defined contribution plan which is forced to pay for itself and therefore will not develop an unfunded liability. The only province with a more taxpayer friendly plan is Alberta which has no plan.

The article goes on:

> The Canadian Taxpayers Federation has called on other provincial and federal politicians to adopt the 1979 Saskatchewan model of reform, with one exception which was noted in the May 1994 issue of *The Taxpayer*. The politicians of 1979 refused to lead by example and hoarded the rich old pension plan for themselves. This one catch in the scenario keeps growing uglier since we first took issue with it.

In response to the last part, the Saskatchewan government has rolled back the pre–1979 pension plan for members. It has capped the pension for current members who are contributing to a defined benefit plan at 70 per cent, based on four–year averages. This will expand restrictions as well in the new bill on double dipping to include members of the House of Commons, members of the Canadian Senate, judges of any court and any employment or service paid for by the Government of Canada or any other province or territory.

• (1230)

Saskatchewan has gone one step further in double dipping as well as the pension plan. It will eliminate the special pension allowance for the premier that was introduced in the 1960s by Liberal Premier Ross Thatcher.

I call on the Liberal government to refer the matter of the Prime Minister's bonus of $50,000 at age 65 to an independent commission. The Liberal government should take some leadership and eliminate the wealthy Prime Minister's special bonus, as Premier Roy Romanow has done in Saskatchewan with his pension and those of members who served in the legislature prior to 1979.

In summary, I appreciate the concern and the interest of Canadian taxpayers on this issue. Bill C–85 goes a long way in addressing the major concerns of Canadians. However, regardless of what we do, when MPs produce and pass legislation respecting their own salary and benefits, Canadians will always perceive it to be too generous.

I ask the government to consider this aspect and not to refer the bill to the procedures and House affairs committee, which is a nice good old club of MPs, but to refer the legislation to an independent commission and let it establish once and for all, apart from elected members, what our pay and benefits should be.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, I enjoyed listening to the comments of the hon. member for Regina—Lumsden. He expressed his concern about double dipping which of course I share.

Examples of double dipping cross many party lines. The three old parties are all guilty. One person who comes to mind is Ed Broadbent, former leader of the federal NDP who is double dipping at this very moment.

However, the member talked about those who have served in the military or in other levels of government and then come to Parliament as also being double dippers.

I would like to give an example. Someone has served in the military for 25 or 30 years, or someone has served at a lower level of government for 20 or 30 years, has made it a career, paid into an actuarially sound pension, not like the MPs pension which is funded four to one, five to one by the taxpayers for every dollar that we contribute. I am talking about actuarially sound pensions. Is he suggesting that these people should not collect their pensions after a long and distinguished career of service in these areas?

Mr. Solomon: Madam Speaker, I appreciate the question from the Reform House leader.

I would like to make two points. First, two months ago the former leader of the New Democratic Party announced that he would not be receiving his pension while he was employed by the government. He terminated his benefits two or three months ago. As always, the member is misinformed. The former NDP leader is not receiving two incomes.

Second, the member is suggesting that military pensions or certain government pensions are actuarially sound. The big news for members of the Reform Party, to which I would ask them to listen very carefully, is that these defined benefit plans are not funded totally right now. They have massive unfunded liabilities.

Provincial–federal plans are short billions of dollars and additional revenues have to be pumped into them to meet the defined benefit aspect of the plan. As leaders of the country we should undertake to change our plan, make it a money purchase plan. From there we should go to the various departments and try to negotiate that with the various unions to ensure that the public sector is doing what the Saskatchewan public sector is doing.

• (1235)

I might add to the House leader that the Saskatchewan public sector has had a money purchase plan not since 1979 but since 1977. Even though it has had that plan since 1977—that is almost 20 years ago now—its defined benefit plan, which was well run over the years, is still about $2 billion unfunded in terms of future liability on the part prior to 1977. This is something that the Reform members should feel quite concerned about.

With respect to the last question that the member for Kindersley—Lloydminster asked, should people who are receiving public pensions serve in the House and receive an MP's salary in

addition to that? I say not because that is the real double dipping. You are getting a public pension and then serving the House of Commons and getting an MP's salary.

Members stand up in the House and say: "Let us cut this. Let us cut that. By the way, let us also cut low income people. Let us cut jobs. Let us cut medicare. Let us cut social services. Let us cut education. Let us cut everything because I am all right, Jack. I have a big income. I have a big pension". That is the message of the Reform Party.

Canadians see through this very thin argument which has no merit whatsoever. It is good rhetoric when no one else knows the facts. When people know the facts, I am sure they will make a decision with respect to whether the Reform's argument holds water.

Mr. Jim Silye (Calgary Centre, Ref.): Madam Speaker, just under two years ago Canadians sent a clear message to Ottawa that they were tired of the status quo, of hypocritical politicians and subsequently voted in 205 rookies.

My speech is to those rookies and my message is, let us not let the veterans corrupt us. When the voters fired the former frontbenchers, the former backbenchers and former prime ministers, they took away their power but for most not their pay cheques. As taxpayers we will be paying them for life 75 per cent of the average of their best six years of salary if they served 15 years.

The issue before us today is the MP pension plan, technically described as two separate items, the members of Parliament retirement allowance and the retirement compensation allowance. This is because the pension plan for parliamentarians was excessively generous and would not have been accepted as a registered pension plan under the Income Tax Act so the politicians split it into two.

I will be talking a lot about double standards. That is my first example of a double standard, one for politicians and one for the rest of Canadians.

An MP currently contributes a total of 11 per cent of the sessional indemnity to obtain pension benefits. Four per cent is applied to their retirement allowance while 7 per cent is applied to the compensation allowance. That is a sneaky way of getting around it. For additional benefits available, an MP with additional duties such as serving as a minister, there is the same split of contributions: 4 per cent to basic and 7 per cent to additional exists.

Under Bill C–85 these percentages and the amount of the salary that they can contribute has been reduced from 11 per cent to 9 per cent. Here we have the basis for a plan that is fully indexed, completely immune to inflation and not available to people in the private sector.

In the name of justice and fairness, I urge the government to go further than it has in Bill C–85 and bring all members, past and present, out of the ivory tower, back to earth and back to reality. I plead with them to show some leadership by example, like Reform Party members.

We have pledged not to take an MP pension in its current form even if this smoke and mirrors bill is passed. Many of us, whether we can afford to or not, have also taken a 10 per cent cut, not because MPs make too much money but because as leaders we know that Canadians will need to sacrifice in the near future and are sacrificing now probably. We are prepared to lead by example at the top, no more double standards, one for politicians and one for the rest of Canadians. We challenge the government to follow our lead because simply put, it is the right thing for it to do especially when it asks Canadians to sacrifice.

Personally, I would like to thank the government and the Prime Minister for allowing Reformers to opt out of the pension plan. It is unfortunate it is available only to the class of '93 and not the class of '97. This is a one shot deal.

• (1240)

Nevertheless provinces like Alberta, that eliminated the government pension plan altogether, will continue to lead by example. It shows integrity. They do not just talk about it. Most important, it sets a higher standard for politicians.

I would encourage all Liberal rookies, to whom I am addressing my speech today, to consider opting out with the Reformers. Weigh it against being voted out by the Canadian public in 1997.

How can the Minister of Human Resources Development complain about 25,000 auto workers withdrawing $70 million annually from the UIC fund when taxpayers paid out an estimated $158 million in 1992 to cover revenue shortfalls in the MP pension fund and currently pay in excess of $2 million a year to do exactly what he is criticizing auto workers of doing? That is hypocrisy.

How can the Minister of Finance nickel and dime RRSP contribution limits in his budget without addressing his own retirement compensation allowance that taxpayers fund more than he does?

The hypocrisy of the Liberal government on this issue is truly disheartening. Liberals promised to reform the gold plated MP pension plan but with Bill C–85 all they have done is nibble around the edges. Canadians will continue to fork out millions of dollars to former cabinet ministers and backbenchers.

The Prime Minister takes great pride in stating that MPs are held accountable at election time. That is when Canadians have their say about the government's performance. If Canadians say that the government stinks and sends it packing like the Tories, these members will still be looked after for life by the Canadian

taxpayers. We may fire them, Canada, but we will continue to pay millions of dollars to look after them.

That is why we are opting out. We feel there are much better ways to look after our futures than this current double standard: one for politicians and one for the rest of Canadians. It is as if the pension plan is a separate UI program for the aristocrats, the select elected few who are better treated than the ordinary Canadian and are somehow, because they serve their country, a cut above the rest.

The Prime Minister scored great political points in opposition when he tried to call the Tories back to the House during the summer to pass pension reform legislation. At the time he stated: "If she"—Kim Campbell—"recalls Parliament we would pass it in one day". That is how fast he would have moved in opposition. It sounds great, but what did he do once his party went over to the other side of the House and he became the Prime Minister? He waited a whole year for 52 more MPs, 46 of whom were Liberals, to qualify for their golden parachutes which this bill protects.

We have three tiers, which I will get to later, of pension qualifiers. Is it any wonder then that some of us on this side of the House question the double standard and the arrogance surrounding the government on this issue?

Mr. Solomon: Mr. Speaker, I call a quorum count.

The Acting Speaker (Mr. Adams): The hon. member for Regina—Lumsden has made a quorum call. I see a quorum at the present time.

Mr. Silye: Mr. Speaker, I would appreciate it greatly if you added the extra five minutes this took on to my speech, please.

Let me outline some of the many double standards regarding pensions contained in Bill C–85. It is fully indexed against inflation. This feature is not available in the private sector with the exception of maybe one of the richest companies in the private sector. This indexation costs a lot of money. Members do not contribute enough for that privilege. There is one standard for the elected politician. Yet the ordinary hard working Canadian taxpayer who looks after their own future in the private sector does not have that same opportunity, that same privilege, but a politician does. It is a double standard.

• (1245)

The second point is double dipping will not end for former members, past colleagues of the House like Joe Clark who is currently on the payroll and is receiving his pension plus his salary.

Mr. Solomon: Mr. Speaker, on a point of order, there are no Reform members in the House. I call quorum.

The Acting Speaker (Mr. Adams): I will ask the clerk to count the members present.

And the count having been taken:

The Acting Speaker (Mr. Adams): I do not see a quorum. I would ask that the bells be sounded.

And the bells having rung:

The Acting Speaker (Mr. Adams): A quorum is present, resuming debate.

Mr. Williams: Mr. Speaker, on a point of order, the member for Regina—Lumsden made reference to the fact that there were no Reform members in the House. There are two things I would like to bring to his attention. That statement is completely incorrect. There are Reform members in the House.

I understand the rules do not allow members to speak of members not being present in the House. I want to ensure the record will show there are and have been Reform members in the House at all times.

The Acting Speaker (Mr. Adams): The member is correct. We do not refer to the presence or absence of members in the House. I ask that all members abide by that regulation.

Mr. Milliken: Mr. Speaker, on a point of order. I wish to point out that members of the House are in the lobbies, many of them having lunch. It is lunchtime, after all. This perpetual set of quorum calls is nothing but a delay tactic on the part of the hon. member for Regina—Lumsden.

The hon. member has flown the coop and there is not a single New Democrat in the House and there has not been all morning except for him. If those people do not show up for the debate and do not participate in the House they should be defeated by their electors for their non–attendance which is perpetual.

The Acting Speaker (Mr. Adams): I think we are engaged in debate. Unless there is another point of order, resuming debate.

Mr. Silye: Mr. Speaker, if this is all intended to get me upset, ruffled and riled it will not work. I will continue along pointing out and showing the double standard of the government, the double standard with which it holds itself in much higher esteem than the rest of the Canadian public.

I was trying to point out all of the double standards contained within Bill C–85 and it should be made the same as the private sector. I pointed out the full indexation which protects the amount of money politicians get against inflation and not available in the private sector.

Former members are not touched by this legislation who are double dipping. It is only if they get reappointed at the end of this term. That is another double standard. Why leave them alone? Why leave them untouched? They are the ones who started all this. They are the ones who started giving themselves

these generous benefits. Why is the government protecting them?

The accrual rate has been reduced from 5 per cent to 4 per cent. That is admirable. It is a reduction. It will reflect in savings. There is no question about that. It still is double that of the private sector. The private sector is 2 per cent limited by the Income Tax Act. This defies the Income Tax Act and it goes to 4 per cent. The Liberal government is bragging now that this will increase to 19 years before members get 75 per cent of their six best years. In the private sector at 2 per cent it will take 35 years to get 70 per cent of their salary. It is a double standard; one for a cut above the rest and the other for the ordinary Canadian.

• (1250)

Pension income in the private sector is limited to 70 per cent of an individual's three best years, but for those in Ottawa who are a cut above the rest it is 75 per cent. It is a 5 per cent difference, but it is still a difference. It is a double standard.

The maximum contribution in the private sector is between 5 per cent and 7 per cent of an individual's salary, which is matched by the employer. Here in the House it is 9 per cent, in the Senate it is 9 per cent, and it is matched three and a half times. It has been reduced from six to one to about three and a half to one. That reduction is good. It is headed in the right direction. Come down another 2.5 and I think the government might have a plan which would be acceptable to the Canadian public. Once again, there is a double standard.

Bill C–85 reduces the six–year eligibility rule, which was ridiculous. No one should qualify for a pension for life after only six years of service. I commend and compliment the government for that. In its place it introduced the requirement of the age of 55 for a fully indexed pension; once again, another example of the double standard. In the private sector the age for retirement is 65. If a person chooses to collect their pension before age 65 they receive a reduced amount. That is not so with politicians. They are fully indexed at age 55 with no penalties, away we go. It is 10 years better than the private sector and that should not be. Cabinet ministers have no cap on the level they can contribute from their salaries to the pension plan.

We now have a three tier plan. We have the trough regular plan for all those members of Parliament who were here prior to 1988, such as the Deputy Prime Minister and the Prime Minister. We have the trough light plan, which applies to all the rookies in the House, the class of '93. If they are dumb enough to take it, if they are dumb enough not to force the rest of their veterans to follow along with them, then that is the way it is. Then there is the trough stout plan. If a member has higher responsibilities and makes a little extra money there is no cap. We have trough regular, trough light and trough stout. Those are three plans for politicians, who are a cut above the rest. There is only one plan in the private sector. It is another example of the double standard.

Why not cut out the previous members' generous plans, or the previous members who are untouched? Why have this trough stout? Why not reduce it by even 5 per cent to 10 per cent, or buy them out rather than paying them $1 million, $1.5 million or $2 million over 20 or 30 years? Buy them out for $.5 million and be done with it. Let us clean it up and fix it properly once and for all. It is time to cut our losses.

Ministers receive a bonus on top of their salaries; not a bonus, it is extra remuneration for their extra workload. There is no limit on how big their pensions can become. They are not limited to the 75 per cent of the six best years. The Prime Minister and people who have been here for 30 years could end up getting 110 per cent of their salary when they are finished. That is not so in the private sector. That is not so for the rookies of the class of '93. That is not so if a member remains a backbencher, a parliamentary secretary or chairs a standing committee. That is a double standard.

I do not understand why the Liberal rookies did not squawk more. They do have a chance to lead by example. They also have a chance to opt out. I hope they do because Canadians will be looking at whether people opt out and try to have a sensible plan. They might be voted out if they do not opt out.

The bill sends a message that politicians are not ordinary people but a cut above the rest. That is why people do not like politicians. That is what politicians have come to represent: self–serving interests rather than serving the interests of the Canadian public.

Reformers would end full indexation of pensions. We would postpone eligibility for benefits until at least age 65, with accessibility at a reduced rate. Eligibility would be further postponed by the amount of time in which the person was already paid prior to age 65. We would subject the MP pension plan to a tax back according to a formula identical to that of the old age security program.

The Reform caucus has already approved the concept of privately purchased pensions under which future RRSP contributions for sitting MPs would be matched by the government up to the legal limit for contributions.

After eliminating the current gold plated pension plan the House could agree to a proper and balanced compensation package which would be more palatable and compatible with Canadian taxpayers.

• (1255)

Here is my personal recommendation which is certainly debatable but which should satisfy our critics. Whereas individual citizens from time to time wish to enter the public sector to help shape legislation and help make a contribution to Canadian society, whereas it is desirable to attract individual citizens from all walks of life to Parliament regardless of income, a reasonable compensation package should be offered to have this

great institution in the hands of members of Parliament more interested in serving their country rather than for the pay, perks and privileges without inflicting undue financial hardships.

This is an important job. Only 295 people in Canada have it at one time and they must balance personal sacrifices with the public interest. Given the current job description and people's expectations, let us get rid of the impression that somehow MPs are special or deserve something better than the private sector.

What politicians do is freeze their salaries so they can stand up in front of Canadians and say: "We too have made sacrifices". Then they overcompensate with this high gold plated pension plan.

Everyone in the House would agree that if we are truly to address the pension plan we have to talk about our salaries. That option is not open because our salaries are frozen. The government has conveniently blocked real pension reform from all possible angles.

I know that except for Ottawa and area MPs all of us need to spend extra money on a second residence and extra transportation. Therefore let us come clean with Canadian taxpayers and say: "Here are the costs of being an MP. We need a second set of everything. If you want somebody to represent you, it has to be paid for or very few will be willing to serve".

The job with its responsibilities compared with the private sector is at least at a senior executive level and is deserving of a $12,000 per month salary perhaps. Why not get rid of the MP pension plan and the tax free living allowance, the tax free expense allowance, limit members to two terms and offer a taxable salary at $12,000 per month wherein members look after their own expenses. These are my personal points of view and do not reflect the party's point of view whatsoever. MPs should be paid more but once they are removed from office Canadians should not be on the hook for about a million dollars per member. They should be given a private sector pension plan into which they pay 5 per cent matched by the government on a one to one basis.

What is so hard to understand about that? Why this six to one, three and a half to one, 11 per cent, 9 per cent? This is confusing. Upon departure, I would get a one time, one–year severance to help re–enter the workforce and reintegrate into my previous life.

This is no different from the private sector and would make the voters and politicians happy. It is an honest, clean, simple, visible, understandable and, most important, above board recommendation. The rookies in the House have to understand it is not so much politicians' basic pay that angers Canadians, it is the gold plated pensions, the tax free allowance, the junkets, the things unavailable and in some cases illegal for those in the private sector.

The days of pomp and pageantry are over and it is time to start paying politicians what they are worth, no more and no less; no golden handshakes, no fancy accounting and no more double talk. Rookies of the House, it is up to you, it is up to us.

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, can the member identify a member in the House who receives a $60,012 annual pension from Alberta, who receives $64,400 MP pension and donates 15 per cent of it? Last year, he received $21,300 in an expense account for a grand total of $151,052. Can he identify this MP for the audience in the House and for the viewers in Canadian living rooms?

Mr. Silye: Madam Speaker, the member's own President of the Treasury Board this morning stood up in the House and gave the first intervention on this bill. He introduced the bill.

In the bill the President of the Treasury Board defined double dipping. Double dipping was defined by the government—in his own words clearly and specifically, and he did not use the legalese language—as a former member of the federal government receiving remuneration for a job after they are finished serving the Canadian public.

The member the Liberal MP asked me about is not guilty of double dipping. It is not double dipping. This individual served in the provincial legislature. This individual resigned from the provincial legislature. This individual offered his services to the Canadian public on a federal basis.

• (1300)

He made it quite clear he was receiving a pension from the provincial government. He made it quite clear how much the amount was. He was totally above board and open. He did not run from this topic. He did not hide from this topic. He asked the voters in his riding and constituency. He said: "You know my circumstances, you know where I have been, you know where I want to go. If you want to send me there, I will be getting this from the provincial government and I will be getting that from the federal government". And they elected him.

We came here and we said that the MP pension plan is too extravagant, too generous, too gold plated. We are making some sense. We are getting to the government, because it agreed with us. The Liberals have changed it; they have improved it. But it is like everything else: they just go a little in our direction and claim they have gone all the way. It is like bragging. They are bragging they have done what the Canadians need.

Yes, I commend them for reducing the cost of the pensions and making it a little fairer. They are saving $3 million a year. Nobody's denying that. But if you have something wrong with the plumbing or the electrical in your house, fix it right while you are there. When you are doing renovations it is expensive. This whole process is costing a lot of money. Why waste all of that money? Why not do it right? Why not fix it all?

An hon. member: We will have to do it again.

Mr. Silye: Now it will all have to be done again.

My point is that now that we have a clear definition of double dipping and we know what double dipping is, maybe the members of the government themselves had better find out what that definition is and stop giving the cheap shots to the hon. member for Lethbridge.

Mr. Assadourian: Madam Speaker, it seems to me the hon. member agrees that if someone serves this House for six years and gets his pension then he can go to the provincial government, serve there, and get another pension and it will be okay.

I cannot follow the logic. A pension is a pension is a pension. They always make the point that there is only one taxpayer in this country. In this case, the taxpayers of this country are paying $151,052 for a member of Parliament who is not even here to defend himself.

Mr. Silye: Madam Speaker, I gather the member opposite said he did not understand my logic. I do not understand how that could happen. Let me try to be really clear.

I talked about a double standard. I talked about a method of politicians paying themselves remuneration that is excessive and that is different from what is available in the private sector.

We are no better than the people we serve. We are only one among them who has been asked to serve because we offered to serve. That does not then put us at a higher, loftier level where we deserve twice or three times the benefits, protecting ourselves from the rules of the workplace they have to live with. That is what is wrong with this system.

Nobody deserves a pension for life after six years of service. The government corrected that. That is a heck of a step for this government, and I give it a strong thank you and a strong compliment for doing that. That is recognizing one of the things that is wrong with it. The Liberals deserve credit for listening and I applaud them for it.

However, they introduced 55 as the qualifying age, fully indexed with full payment, when in the private sector it is 65 years of age. If you want to get it prior to 65, you would get a lesser amount. None of that is comparable.

Why is it this way for us in the House? It is all from the old–line politicians; it is not from us rookies. It is not from the Reformers. We came here to clean it up. I am asking the 205 rookies, why the heck are we not standing up instead of letting these cabinet ministers that have been here before push their weight around? We know what is right. Let us do that.

We are ordinary Canadians serving the public. We should get fair compensation, fair remuneration. It is at a senior executive level. Pay us $150,000 a year. We will look after our own pensions. We will have it matched by government. People will accept that. But these two or three triple standards, this trough regular, trough light stuff is getting ridiculous. This is all we are saying.

I am frustrated. I should not have become frustrated, but I am frustrated when I try to make sense, I try to give reason and I want to work with the government so the integrity of all politicians will rise, and they insist on saying: "No, no, no; we deserve it".

It is just like the mileage. Why does an MP deserve 37 cents and the private sector businesses with salesmen get 31 cents for their travel allowance on gasoline? That is ridiculous. It is another example of a double standard.

Why can this government not get it through its head that the Reform Party is only trying to bring some sanity and integrity back into this House? We are on their side, but they will not listen.

• (1305)

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, as I listen to this debate unfold today, and I recognize there are good people on all sides of the House, I wonder what it is about the pension that leads to good governance. That is really what this debate is all about.

Does this pension in any way help Canada have good governance? Has it over the past 30 years had good governance? By any rational score card the answer would have to be no. We happen to be $550 billion in the hole and we are increasing our debt to the tune of $120 million a day, so that we are in debt now, every single Canadian taxpayer, $40,000. That is just the federal part of the national debt.

Then the question is: What is it about a pension that leads to good governance? Does that pension then attract and retain good people in the Parliament of Canada? My submission is no, it does not. In my view, after being here for a year and a half, I think the governance of our country would be immeasurably improved in three simple steps. The first is to get rid of the MP pension plan. We should be here doing what is right, without having this become a lifelong job and then return to the private sector.

I ask the member for Calgary West if he would respond to this question.

The Acting Speaker (Mrs. Maheu): I am sorry, there are about 30 seconds left. If you would like an answer to your question, which will have to be 30 seconds, will you please put it now?

Mr. McClelland: What is there about having a pension that would lead to good governance? Does it lead to good governance or has it in the past?

Mr. Silye: Madam Speaker, a fair and reasonable pension that is commensurate with the private sector with a salary that is commensurate with the private sector for the workloads inflicted upon these people would attract and would show some good governance, and that is what we have to do.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I rise today to address this House on the subject of Bill C–85, legislation dealing with proposed amendments to the Members of Parliament Retiring Allowances Act.

[*Translation*]

Before presenting my speech, I would like to make a few comments. First, although I strongly disagree with the hon. member for Richelieu on a number of issues, including Canada's future, I want to congratulate him for making a speech based on facts. He made comparisons which help us get a better grasp of this whole issue.

It is not often that an opposition member presents facts and tries to help us better understand what we are doing.

[*English*]

With respect to the other speakers, it is my opinion that the Reform Party is exploiting a situation that I think it has whipped up for political gain. For example, there is the suggestion that if we take RRSPs this does not cost the taxpayers any money. I am sorry, that is terribly wrong. There are not millions but billions of dollars that the government is not getting as a result of RRSP programs. That is the kind of logic members of the Reform Party advance. They do not like to hear it, but RRSPs, those very programs they propose, would cost the government billions of dollars. They do now. Let us get serious.

Another thing that astounds me is when we talk about double standards, Reform is the party that said we must shun the parliamentary restaurant. I have been to the parliamentary restaurant and I have seen Reform colleagues there. These are the same people who said they would not go.

An hon. member: Name them.

Mr. Duhamel: I do not want to name them. I do not want to embarrass them. But if forced, I shall.

"We would never go to those lobbies at airports. That is just not for us". Sorry, folks, I have seen some there too.

• (1310)

They have also said they are not flying executive class. Wrong again. They do. These are the same members that say they are going to take a cut in salaries. Of course some have, but many have not. That is a double standard.

When Canadians hear of that party doing that kind of thing, it will have no credibility. It has very little credibility today.

One of the members said this morning that if the current plan had continued that member would have received $1.2 million, if that member lived long enough, but if it had been done through private investment it would have been roughly half of that, $600,000. I stand here today hoping very much that I will be able to retire and receive $600,000 over a lifetime. The way I figure it, I will be over 80 years old before that happens to me.

Those are the kinds of misleading statements that inflame the passions of Canadians. It is erroneous logic. They take one particular example and try to pretend that it belongs to everyone. That is the kind of nonsense we are facing here today. I am disappointed.

There is another example. A motion was proposed by the Reform Party to not have this bill go forward. Is that not somewhat contradictory? There are going to be changes made that are going to save Canadian taxpayers money, and that party wants to hoist it, stop it. If the Reform Party is so concerned about changes, let us go forward. Let us move. Let us go now.

This is the party that on a very serious matter called for quorum, knowing full well that there are members just behind the curtain who are having lunch. This is the kind of seriousness they apply to this debate.

This is the party that talks about opting out. It is not a question of opting out; it is a question of opting in. Members can opt in. The suggestion was that it was only available to Reform MPs. It is available to whoever chooses to do it out of the class of '93. Let us get with it. Let us deal with the facts.

I am pleased to observe that many colleagues spoke of the need for changes to the MP pension plan in the last Parliament, both here and outside of the House. I am delighted to note today that we are in fact going forward with Bill C–85, which delivers on the government's red book commitments to reform MP pensions to end double dipping and to set a minimum age at which pensions under the plan may be paid. Those were the promises that were made, but we did not stop there; we went beyond. In fact, Bill C–85 goes further than the red book commitments.

Of course that is not good enough for Reformers, because they want to exploit the situation. They would have exploited it even if it had been removed. They would have found something to say about it.

[*Translation*]

This bill will also reduce the pension benefit accrual rate under the MPs pension plan. In the future, instead of an average sessional indemnity of 5 per cent for each year of service, members will accrue benefits at a rate of 4 per cent of their average income over a 6–year period. That represents a 20 per cent reduction. But, of course, Reform members say this is nothing.

That 20 per cent reduction clearly shows the government's firm intention to cut spending, as well as the will of parliamentarians to make sacrifices like the rest of Canadians to help put our fiscal house in order.

I am proud to see that, once passed, the proposed amendments will result in a 33 per cent reduction of the cost, for taxpayers, of MP pensions. That 33 per cent reduction translates into savings of over $3 million for 1995 alone.

I want to congratulate the Prime Minister, as well as the hon. member for York Centre and President of the Treasury Board, for their role in this respect.

The proposed legislation includes another important element. Some members objected to the fact that MPs' participation in the pension plan is compulsory. They suggested that, if allowed to do so, they would withdraw from the plan.

• (1315)

The Prime Minister responded by promising MPs that they would be free to participate or not in the pension plan. Bill C–85 follows up on that commitment.

[*English*]

It is on the subject of optional participation in the pension plan that I wish to focus my remarks today. Hon. members have asked for that choice and will now be given it. It is a serious choice, with long term consequences, and I urge all hon. members to give the choice very careful consideration. In contemplating their decision, members should bear in mind the amendments of the bill will bring about features of the pension plan which some have found to be objectionable.

We are eliminating double dipping. Pensions based on future service will not be paid before a former member has reached 55 years of age. MP pension benefits are being pared down and taxpayers' costs will decrease significantly.

When Bill C–85 is given royal assent, a 60–day clock will start ticking; a 60–day period for passage of the bill within which members of the House will be able to make an option to continue their participation as pension plan members.

This is a one time opportunity. Hon. members who fail to sign and deliver their option to participate form within the 60–day time frame will cease to be pension plan members and their contributions to the MP pension plan account will be refunded to them.

In a few minutes I will speak further of the consequences of discontinuing plan participation. Now I wish to concentrate on the process of maintaining membership under the plan. I am informed that administrative officials of the House will contact each member immediately following passage of this bill. Advice and information on the option process will be provided and each member will be furnished with an option form on which they may specify their interest in continuing pension plan membership.

Each member who wishes to stay under the pension plan must complete the option form and return it to the House administration within 60 days of the royal assent day. This is a critical deadline and must not be missed by any member who chooses to maintain their status as a member of the MP pension scheme.

Therefore, I caution hon. members they should ensure they receive their option form and complete and return it before the deadline if they wish to stay under the plan.

[*Translation*]

I will complete and return this option form. I will continue to participate in the MPs pension plan. I have a wife and three children, and I want to ensure their future in the best possible way. Given the comments he made outside this House, I know that the President of the Treasury Board will also choose to stay under the plan. That plan is just one element of the global compensation package for MPs.

I also wish to point out that, according to independent studies, that plan is not overly generous. I am of the opinion that all members of this House work very hard and put in long hours. They earn their pay. My colleague from Richelieu proved the point in his speech this morning when he made the comparison between us and other parliamentary jurisdictions in Canada.

Let us not forget that past governments have consistently promoted retirement savings. Retirement plans are an important part of retirement planning. These plans provide substantial protection for people against the unforeseen, such as death or infirmity.

Lastly, the financial protection of MPs' survivors in case of death should be a central consideration in their decision whether to opt out of a parliamentary pension.

In my case, if I did not complete my term, basically, if I died, my wife and family would receive 60 per cent of the pension to which I would have been entitled. Partners and children must not be forgotten.

• (1320)

[*English*]

Notwithstanding the considerations which I have just outlined, I know there are members of the House who have

committed themselves to terminating their plan membership. Some of these members may already have other arrangements in place for their retirement and their survivors. Perhaps some are sufficiently wealthy that they need have no concern about their economic security or their family's in later years. There are some who will use their termination of plan membership as a political statement.

Whatever their reasons, I need to respect and I will respect their right to choose. The Prime Minister promised them the choice and now they will have it.

I hope hon. members planning to cease their participation in the MPs pension plan will consult with their families before making their final decision. This is a decision which will directly affect members' families as well as members themselves. Members should be aware of all of the consequences withdrawal from the pension plan will entail, particularly the consequences their choice will leave on their loved ones.

This will be a permanent choice. Those making a political statement with that choice will be bound by that statement. There will be no going back. Pension contributions will be refunded and periods of service in respect of which those refunds are paid or future periods where no contributions will have been made may never in future be counted under the pension plan.

Hon. members who fail to opt into the plan will remain as non–members for as long as they continue to serve in Parliament without a break in service. This will be the case whether they continue to serve in this honourable House or in the upper chamber.

[*Translation*]

I would once again advise MPs who are considering opting out of their pension plan to look carefully at the other pension vehicles available to them. They should also prepare for the unforeseen, such as infirmity, and consider the financial future of their survivors should they die.

If we were to sacrifice the coverage provided for under the parliamentary pension plan, what coverage would replace it and at what cost? We should all make an educated choice. I must insist that we cannot make such decisions without knowing beforehand all of the ramifications.

As I mentioned earlier, MPs who opt out of their pension plan will receive a full reimbursement of their contributions within 60 days of Bill C–85 receiving Royal Assent. I will take this opportunity to explain the terms and conditions of this refund.

[*English*]

For hon. members who joined the House for the first time at or after the beginning of this Parliament, on or after October 25, 1993, the process is quite straightforward. Members who fail to opt into the plan will be paid a refund of all of their pension contributions. For members with parliamentary service which occurred before October 25, 1993 the process is slightly more complicated. It depends on whether as of October 25, 1993 they were vested members under the pension plan.

To digress momentarily, under our pension plan a member of Parliament is considered to be a vested pension plan member upon completion of six years of service. Therefore when I speak of members who were vested as of October 25, 1993 I refer to those of my hon. colleagues who as of that date had been members for at least six years.

Under the bill a member who was not vested as of October 25, 1993, that is a member who did not have six years of service as of that date, and refrains from opting into the plan within the 60 days immediately following royal assent, will also be paid a refund of all of the pension contributions he or she has paid. This would include contributions made both before and after October 25, 1993.

If the member was vested as of October 25, 1993, the refund will be restricted to those pension contributions paid since that date. In this latter case, contributions paid for the six or more years of service which occurred prior to October 25, 1993 will be retained in the pension account to provide upon the member's eventual retirement from Parliament the vested pension benefit earned in respect of those years.

• (1325)

[*Translation*]

And since our pension contributions are paid into two different accounts, I must digress again.

The last time the pension plan for parliamentarians was amended, this was done to comply with pension plan registration rules provided under the Income Tax Act. As of January 1, 1992, parliamentarians have contributed to the basic retirement account and to an account referred to as the Retirement Compensation Arrangements Account.

Contributions to the basic account will be used to pay retirement allowances earned pursuant to Part I of the Members of Parliament Retiring Allowances Act, in other words, that part of the pension plan for parliamentarians that complies with the tax provisions governing registered retirement plans.

As for contributions made to the Retirement Compensation Arrangements Account, pursuant to Part II of the Act, these will be used to pay that portion of retirement allowances earned under the plan which exceed the maximum allowed for registered plans under the Income Tax Act.

Here I would like to say, in passing, that all employers in Canada may offer their employees a non–registered supplementary retirement plan similar to the retirement compensation arrangement.

[*English*]

In instances where refunds of pension contributions are to be paid to plan members, all contributions paid before January 1, 1992 may, if the member so wishes, be rolled over on a tax exempt basis to another registered retirement vehicle such as the registered retirement savings plan. For the sake of precision that would be in respect of members who had service before October 25, 1993 but who were not vested as of that date together with 4 per cent of sessional indemnities paid to the basic account under part I of the act since January 1, 1992.

Members wishing to roll over the contributions to an RRSP should consult administrative officials of the House for information on the forms and the process for effecting such a transfer.

[*Translation*]

However, since the retirement compensation arrangement is not an RRSP instrument, contributions paid into the RCA account pursuant to Part II of the Act cannot be rolled over to an RRSP. Consequently, members who decide to opt out of the retirement plan will receive directly the amounts they had contributed since January 1, 1992 to the RCA account, in other words, 7 per cent of sessional indemnities. Refunds of contributions to the RCA account will be taxed at source as income, to be declared by the member as part of his taxable income for the year in which the refund was made.

There is one last point I would like to make. I would like to explain another consequence of a member's opting out of the retirement plan and the resulting refund of contributions. Every year, a so–called pension adjustment is calculated on the basis of our regular contributions, and this figure is then communicated to Revenue Canada. This amount reflects the value of the retirement benefits we have earned through our contributions in a given year. This pension adjustment is then used for tax purposes, to calculate our maximum annual RRSP contribution, if any.

However, and this will be my last comment, under the Income Tax Act, a member who elects to recover contributions paid into the pension plan for parliamentarians will not be able to recover RRSP contribution entitlements he could not use during those years when he contributed to the pension plan for parliamentarians.

I am sorry, I would have liked to add certain other things, but my time is up.

[*English*]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Madam Speaker, I was very interested in the remarks of the member for St. Boniface.

It is really quite amazing the passion a member can arouse in himself when driven by unmitigated greed.

• (1330)

I would take issue with some of the remarks he threw this way with respect to the consultation of families, for example. I think most people in this caucus consulted their families. They also consulted their constituents. The net result that obviously arose was that people said: "Thou shalt not steal". We are in this, and we are in it together.

The hon. member also made remarks about whether or not certain members of the Reform Party had given up this perk or that perk or had made certain sacrifices. I gave up my 10 per cent. That has nothing to do with this debate, nothing whatsoever. I occasionally eat in the parliamentary dining room. So what? I never said I would not. So what are they driving at? We are talking about a multimillion dollar rip–off of the Canadian public and the hon. member is talking about trash.

I would like to ask the hon. member, since he is so critical of others in saying what did you give up or what sacrifice have you made, what has the hon. member given up? What sacrifice has he made? Can he name one thing?

Mr. Duhamel: Madam Speaker, I should note to my hon. colleague that I am always passionate in debate. This is no exception. To suggest, which Reformers are often prone to do, that I became passionate about this subject because of a greed factor is really a low blow. I believe it is beyond a member's stature, or should be, in the House of Commons.

To suggest this is about thou shalt not steal, from the Bible, to invoke that in this debate, to suggest this is stealing, is below being low. And to use terms such as trough to try to excite the passions of people simply for political gain is even lower still.

When I mentioned the parliamentary restaurant, flying executive class, et cetera, why did I do that? Because that party is double–talk; that party pretends one thing and does other things.

That party is exploiting this issue—not all members, but some—because it has no issue. The polls are so bad that it virtually does not exist. That party's members are flailing about, trying to find something that will capture the imagination of people. That is the party which comes forward with a budget that has no sense at all, that is absolutely denounced by virtually anyone who knows anything about budgets.

Mr. Morrison: Name one.

Mr. Duhamel: Name one? I stood in this House and I mentioned at least a dozen credible sources that denounced that pretend budget, which did not even add up. This is why Reformers have no credibility.

That party tries to use in B.C. the aboriginal land claim situation in order to further its political agenda. It is the kind of party that will seize upon any issue in order to try to further its political agenda. It is not fair; it does not try to be fair. It did not listen to our colleague's comments from the Bloc when he set out the statistics and showed this particular reduction is an important one, which puts us in line with a number of other provincial legislatures.

Mr. Mills (Red Deer): How about Alberta? It is zero.

Mr. Duhamel: Oh, Alberta. Okay.

That party would not acknowledge that during the last three Parliaments almost 60 per cent of the MPs who were here are not receiving a pension today. That party pretends everybody is getting a large pension. If I were walking out today my pension would be in the $19,000 range. If I were to die today, that would be one–third less for my wife and three kids. That is the kind of party that would like to see that kind of remuneration. I have no time for that.

An hon. member: Can you not look after yourself?

The Acting Speaker (Mrs. Maheu): Order. I would like to request that the House take a little time and think about some of the comments being made to colleagues. It is a very emotional issue for a lot of us. I think we have to stop and think before we fling comments back and forth across this House.

• (1335)

Mr. Charlie Penson (Peace River, Ref.): Madam Speaker, today we are here to debate an act to amend the Members of Parliament Retiring Allowances Act. Canadians know this as the MP pension plan. That is what we are really talking about today. I am happy to rise and make some comments about the MP pension plan that is being introduced.

Unfortunately, it is not as good as the model that was brought forward by the President of the Treasury Board in December. But he was not able to sell that plan to his Liberal caucus, and now we see the results: an MPs' pension plan that is being introduced today that is still obscene because it is twice as rich as any public sector or private sector pension plan.

During the run up to the election of 1993, when I was seeking the nomination and I was out campaigning I heard from my constituents in Peace River over and over and over again on this. It was the issue that captured my attention and the attention of all other politicians from all other parties who were campaigning there. They heard from the Canadian public and the public in Peace River that MPs have a pension plan that is a double standard with what most Canadians can receive, either in the public or private sector.

That to me has developed a very cynical electorate out there. There were a number of new members elected to the House in the election. One reason they were elected is because the public is very cynical about politicians. This used to be a noble calling. That is not the way the Canadian public regards it any more.

I have to tell members a story about one of the first meetings I attended as a politician after my nomination. It said a lot about how people regard politicians and politics and the reason for it. I was speaking at a small community meeting of about 40 people. I had spoken for about 10 or 15 minutes and then we stopped to have coffee. I was circulating and talking to different members of the audience. One fellow about 75 years old, a rancher type who had spent a lot of time outdoors, a weathered and very interesting fellow, came up to me and we had a very interesting conversation for about four or five minutes. Finally, he was going to take his leave and wish me well and say goodbye. The comments he made I thought were very relevant. He said: "You know, Charlie, I wish I had met you before you went into politics. I think I would have liked you".

That says a lot about how people regard politicians these days. One reason for that degree of cynicism about politicians is that they see we have double standards. The double standard that is most obvious, I believe, is the MP pension plan.

During the course of the campaign I think I heard only one comment about MPs' salaries. It was not an issue. People think that MPs should be paid well. But they do not believe they should get a pension plan that is five or six times more generous than that of the average person in the public. And that is what we are addressing here today.

This pension plan is a step in the right direction. Like so much of the legislation the party across brings forward, this is a step in the right direction but it is not far enough.

An hon. member: It is a small step.

Mr. Penson: I think we have to examine the past plan. Let us do a comparison. As I said, we only had to be in the House for two terms or six years to be eligible for the MP pension plan under the previous plan, which is five or six times more generous than the average Canadian private sector or public sector plan.

So what is introduced in the new pension plan, the one that is going to correct the problem? We have a pension plan where we are still eligible at age 55. That does not seem to fit with most public and private plans. It certainly is not the case with the old age security. In fact, we are talking about moving that to age 67, since the plan cannot be sustained.

What else do we have? We still have a plan that is two and a half or three times more generous than the average public or private sector plan. It does not fit. It is not acceptable.

What about the future? We know there is an opting out formula in the plan of 60 days for those members who wish to opt out. I am one of the members who wants to, and I certainly will. But that will not apply to future MPs. They do not have that option. Why not? It would seem to me it is a reasonable option to put in there. Anybody who wants to look after their own retirement should be able to do so, but not under this plan as far as future MPs are concerned. They will be obliged to belong. There again is a problem.

• (1340)

We had the minister and some other members stand in this House this morning trying to justify the new plan that is being brought forward. As I said, there are many reasons why the Canadian public is not going to accept this.

All of this is happening at a time when politicians need to show strong leadership in this country. It is a time when we have a record federal debt: $550 billion and growing at the rate of $120 million a day. It is time for MPs to stand up and show leadership. What would that mean? It would mean accepting a plan that is the average of what most Canadians have. Is that too much to expect from leadership in this country? I do not believe it is.

We have Canada's official loyal opposition—what do those members intend to do with this plan? It seems very ironic that those members, with the expressed goal of wanting to opt out of Canada, as they tell us every day in this House, want to opt into the new MPs' pension plan. I do not understand the logic. It must mean that they plan on staying longer than they originally had intended. It seems to me that is a real contradiction. I cannot understand why they would not want to take the opt out formula along with the rest of us in the Reform Party.

Mr. Williams: They want to opt out of the country but stay in the pension plan.

Mr. Penson: Let us examine the rhetoric from this side of the House when the members who are over on the government side now were over here. We had the famous rat pack. I think we all know who they are. They enjoy some of the front benches over there now. What did they say? They called for a change to the MP pension plan. My understanding is that when the President of the Treasury Board brought in what was a reasonable plan in December to the Liberal caucus, they were the ones who led the charge against it. So the rat pack it seems has become the fat cat pack these days. We see this every day.

Who is going to be the judge of this MP pension plan? It is not me as the member for Peace River, in the final analysis. It is not going to be the member for St. Boniface. It is going to be the Canadian public, the voters, our constituents.

The member for St. Boniface said that we should carefully consider and consult our family members when and if we decide to opt out. He would seem to suggest that we have not been doing that. Well I do not believe that other members of the Reform Party caucus did not consult their families. I know I certainly did, and it was a joint decision. However, it becomes more than consulting family. I also consulted constituents. I have been doing it for a long time. And constituents tell us that this plan is still far too generous.

The member also seemed to lump the business of pay and salary into the MP pension plan. It is all part and parcel as far as he is concerned. I do not believe it is. I believe that if we have a problem or we do not believe the pay is high enough for a member of Parliament, we should deal with that issue up front and involve the Canadian public in that discussion. This is a separate matter altogether, and it has to be dealt with that way.

The member for St. Boniface also talked about the RRSP. He suggested that the Canadian taxpayer would be on the hook for more money through a loss in taxes if we went the route of all members opting out and using the RRSP. There is certainly some merit in what he says, but it is not making special rules; it is following rules under the RRSP program that other Canadians are under. So we are all in the same category. That is talking about having the same standard for everybody.

I know that many members of our caucus intend to use that route once we are able to access our money that is being currently collected under the MP pension plan, the 11 per cent that is being deducted, to put it into RRSPs. Many of us have been doing that for a long time. I think it shows leadership in the fact that we are willing to look after our own retirement. That is what a lot of Canadians are going to have to do in the future, because the old age security plan and Canada pension plan are not sustainable. The reason they are not sustainable is that this country is in very serious financial problems.

I know the Minister of Finance recognized that to some degree in his budget when he suggested that we need to cut $4 billion in services to Canadians. He also said we should raise a billion dollars in taxes. It was very interesting that in doing so we would almost expect the federal budget for this year to be decreased by $5 billion, the amount of those cuts and the extra money that is being raised. In fact, the budget is going to be higher by almost half a billion dollars. Why is that? It is because the interest on the debt is starting to be a very serious problem in this country. It is taking a larger and larger portion of our government budget.

• (1345)

It is eating into those necessary services we are talking about, both the Canada pension plan and old age security. We need to encourage people to look after themselves through their own retirement savings. That does not mean the Government of

Canada is doing it for them, such as the MPs. It means that they look after themselves through RRSPs and any other private plan they can put in place.

I am going to wrap up here. To me, the most important thing is that the Canadian public will be the final judge of this plan. If cautions are going to be issued by members across the way in regard to the seriousness of opting out, we should also be cognizant that the Canadian public is watching very closely what is happening in this Chamber today during this debate on the MPs pension plan.

The public wants a plan that is reasonable, that is consistent with national standards for both the public and private sectors, not anything MPs give themselves over and above what is the norm in Canadian society. The public will be the final judge next election day. I throw that out as a caution to members opposite.

Mr. John Harvard (Winnipeg St. James, Lib.): Madam Speaker, it is always difficult to speak on a subject like this, especially if you try to defend the pension plan for members of Parliament. Your adversaries will always try to paint you as being self–serving.

I have been in opposition. I know it is very easy for members of the Reform Party to stand and accuse anyone who might defend any elements of the pension plan as being self–serving and greedy. It does not take any bravery on their part to say the outrageous things they have said.

The previous speaker just said that political life at one time was seen in a good light, that it was a noble calling, but not any more. I wonder why. It is because people from the political right, members of the Reform Party have made it their calling day in and day out, month in and month out, year in and year out to go around and say how bad politicians are, how bad this institution is, how bad democracy is. It is little wonder when a band of people like that goes around this country year in and year out bad mouthing this institution that some Canadians say: "Gee, I guess it is true".

Mr. Hermanson: It is true.

Mr. Harvard: It is a sad comment.

Mr. Hermanson: That is why they sent us here. You guys are never here.

Mr. Harvard: Do you want to listen to me or not?

Mr. Hermanson: It is because of you guys that we are here.

The Acting Speaker (Mrs. Maheu): Order. It is unfortunate that the level of emotion remains extremely high. I ask you once again to remember that we are in the House of Commons. We have a high level of integrity toward one another. May I ask that we maintain a certain level of decorum.

Mr. Harvard: Madam Speaker, it is easy to attack the political profession. There are a lot of good people in this institution. I do not know the people from the Reform Party very well but I suspect there are some very good people over there as well. How can we move forward when people over and over again do everything they can to besmirch the political profession?

There is one other point that I want to make. Members of the Reform Party constantly chant this line that the MPs pension plan is twice what is found in other sectors, particularly in the private sector. They never talk about the need for a package of remuneration for MPs.

• (1350)

If MPs had a normal career, if MPs started at age 22 or 23 and were in their profession for 30 to 40 years, do we really think their pension plan would have to be much different from those in other sectors? Of course not.

Why is our plan different? It is because most of us come to this career in our forties. For example, take someone who is in their forties. They have a family. They have children in school, perhaps in university. For them to come into public life we want them to give up their careers. We want them to give up their private pension plan. When they come into public life we want them to take all the risks and absolutely nothing will be done on the part of the Canadian government to assuage or mitigate the risk that they face.

When banks arrive at loan rates they take risks into account. The Canadian public must do the same. I am trying to put the pension plan in context. This is the thing they never do. The member who just spoke should reflect on the points I have made and should stop bad mouthing this profession. This life is difficult enough without the kinds of contributions we get from those people over there.

Mr. Penson: Madam Speaker, one of the comments by the member for Winnipeg—St. James was that year in and year out he has heard the Reform Party being cynical and talking about how bad politicians are in this country. It seems to me that we have not been around for all that long, but the Canadian public has had some cynicism with regard to politicians for quite a while. Probably a lot of that was during the time he was on this side of the House.

The hon. member has a reputation for being one of the worst members in terms of attack, yet he is talking about the Reform Party. We hear personal attacks every day from him. I think he is totally out of line.

If he did not want to run for office, nobody forced him. He can retire.

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I am very pleased to have this opportunity to speak to Bill C–85 dealing with MPs pensions.

I am particularly pleased because it was the very first topic I addressed after I was elected, and the first time that I was in caucus. I am a strong supporter of reform of MPs pensions. I am a strong supporter of the red book commitments to that reform. I am also a strong believer in the fact that what MPs do is extremely important in a symbolic sense. It is very important that we lead by example.

I want to speak principally today to the particularly stringent double dipping components of this legislation. They are much more stringent than I had envisaged when I first read the red book.

Before I do that I would like to say that to me, one of the most critical things in giving some order to the MPs pension plan was to establish an age of retirement. It seems to me that no pension plan can be fully financially viable unless it has a fixed age of retirement. We cannot calculate, for example, how many MPs might retire at 25 or 30 or something like that. Therefore, it is critical for the financial viability of this plan that there be a reasonable retirement age.

• (1355)

I personally favour 65 as the retirement age. That is the normal retirement age for the Canada pension plan. I realize that in many occupations there are earlier retirement ages, and I realize that under some circumstances a person can draw CPP benefits before the age of 65. I feel that 65 is the most appropriate age for this plan.

The establishment of 55 as a fixed age of retirement, as a fixed age at which a member of Parliament can draw this pension, is a huge step forward in giving the plan financial viability. I am very pleased that has been done.

I also support the slower rates of accrual of the pension. The accrual results in a 20 per cent saving. It is important that the cost of this plan to the taxpayer be reduced.

During the debate on double dipping it was pointed out that strong pension plans are a normal feature of employment in government service, whether that government service be at the local level, the provincial level or the federal level. It was often pointed out for example, that the military has a very strong pension plan which is designed to enable its members to retire early.

It appears that re–employment of public service employees by the government after they have taken an early retirement is quite common. During the debate on double dipping it was pointed out that people in the public service everywhere have the opportunity of going back to work in the area from which they retired if there is a suitable vacancy. I do not want to open the entire question now, but I must say that I have some sympathy with that.

The Speaker: My colleague, of course, will have the floor immediately following question period.

It being two o'clock, pursuant to Standing Order 30(5), we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

ELSPETH HOGG

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to congratulate Elspeth Hogg of Utterson in my riding of Parry Sound—Muskoka. Mrs. Hogg has been selected as one of just 23 recipients of the 1995 Canada volunteer award medal and certificate of honour for her contributions to her community.

Mrs. Hogg is recognized for serving on the first board of the Muskoka Women's Advocacy Group and for serving as chair from 1984 to 1989. She is credited as instrumental in the establishment of Muskoka Interval House, a much needed women's shelter, and for recruiting countless volunteers and donators of supplies.

In addition to this work, Mrs. Hogg served the Elizabeth Fry Society, the Hospital for Sick Children, the YWCA and the Boy Scouts as well as volunteering on boards such as the Canadian Corrections Association and the Canadian Mental Health Association.

I wholeheartedly congratulate Mrs. Hogg for her tremendous achievement and for giving so freely of herself. We are all very proud.

* * *

[*Translation*]

ATLANTIC GROUNDFISH STRATEGY

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, clearly, the Minister of Human Resources Development has lost control of the Atlantic Groundfish Strategy. Not only is this strategy not creating jobs, but it is encouraging workers to quit their jobs to take advantage of the benefits of the program.

Processing plants are complaining about the departure of a number of their employees and of the costs this entails. The minister prefers to stick his head in the sand and continue extolling the virtues of his program. The representatives of the fishermen even came to Ottawa last week to complain about the program's ineffectiveness.

The minister must recognize that his program is not working, that he is gobbling up billions and that the federal government on its own is incapable of resolving the Atlantic fishing crisis.

S. O. 31

[*English*]

TAXATION

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, millions of Canadians have just completed their income tax returns for yet another year. Every year families and individuals go through the tortuous process of calculating and completing their returns in a diligent and timely manner. The process has become so complex that millions are now frustrated by the exercise.

Recently I received a call from a retired constituent who has become so frustrated that he has finally had to enlist the help of a tax professional to prepare his return.

This practice is far from unique. Increasing numbers of Canadians seek outside assistance as they battle the ever increasing complexities of our national revenue labyrinth.

Why should taxpayers, already at the limit of their tax tolerance, have to pay additional moneys for assistance in filing their tax returns?

There is an urgent need to simplify the tax system. Reform's flat tax would do just that. It is fair, efficient, equitable, and would greatly ease the burden of the long suffering taxpayers of Canada.

* * *

INDIA

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, during the recent Easter break I had the privilege of visiting India to meet with various senior government officials.

India is a country that is growing rapidly. The economic development that I personally witnessed was phenomenal. The economy is booming at an extraordinary rate of 8 per cent per year. India is rapidly becoming an economic tiger of all developing countries.

Throughout my meetings with cabinet ministers of the Indian government and the chief ministers of several important provinces the discussion always centred on developing closer trade ties between Canada and India. Canadian expertise and technology combined with India's pool of manpower would create tremendous job opportunities for both countries.

This desire was not only expressed by senior politicians but by industrialists I had the pleasure to meet with as well. The interest is there, and I call on the government to work diligently toward developing an increased trade level with India. There are limitless opportunities and there can be no doubt that both countries will greatly benefit.

ELIZABETH FRY WEEK

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, tomorrow national Elizabeth Fry Week is being launched on Parliament Hill. It takes place every year, the week preceding Mother's Day, to acknowledge the fact that the majority of Canadian women who come into conflict with the law are mothers.

This year the week's theme is alternatives to incarceration, focusing on new avenues in corrections for women and working to enhance public awareness and education regarding the circumstances of women involved in the criminal justice system.

Most women at the time of their incarceration are the sole supporters of their families. When mothers are sentenced to prison their children are sentenced to separation. Elizabeth Fry Week ends on Mother's Day to draw attention to this reality.

Let us show our support for the hard work of the volunteers and employees of the Canadian Association of Elizabeth Fry Societies. We are welcome to the Commonwealth Room tomorrow between 9 and 5 to talk about these important issues.

I thank the volunteers for their dedication to justice in Canada.

* * *

NUCLEAR NON–PROLIFERATION TREATY

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, over 160 nations are currently meeting at the United Nations in New York to decide the fate of the most important international arms control agreement in force today, the nuclear non–proliferation treaty, the NPT.

Canada supports the indefinite unconditional extension of the treaty for three essential reasons. First, the NPT establishes a barrier to the further proliferation of nuclear weapons. Second, the treaty provides the framework for peaceful trade in nuclear technology by establishing a system of effective international safeguards. Third, the treaty commits the nuclear weapons states to work toward nuclear disarmament.

Those who argue that the NPT should not be made permanent keep open the possibility of its disappearance at some future point. This must not happen. We are now firmly on the road to a world with fewer nuclear weapons.

On Friday, Canada will table the resolution, joined by more than 80 nations, for the indefinite extension of the NPT. The treaty has served us well for 25 years. Now is the time to permanently enshrine the benefits for future generations.

1939 CASINO BAND

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to salute members of the 1939 Casino Band of Stratford, Ontario.

Band members have enriched the lives of citizens for five decades with their musical talent. These musicians originally played for community dances in the 1940s but now perform voluntarily for events throughout my riding.

The band can frequently be found performing at hospitals, nursing homes and various community events, including the Stratford Festival's annual garden party. For the past two summers the band has performed afloat on the Avon River for thousands of tourists who visit Stratford.

These men should be commended for bringing such musical delight to our community. Not only is it one of the most talented jazz bands in Ontario but it is one of the most kind spirited.

The members of the 1939 Casino Band include Jack Hayter, Jack Smith, Mervin Doerr, Robert Hayter, Bill Fowler, Walter Gladding and Andy Munroe.

I wish band members many more years of music and laughter together.

* * *

• (1405)

[*Translation*]

NATIONAL MARINE STRATEGY

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, yesterday, the Standing Committee on Transport submitted its report on the national marine strategy. Disregarding the principles of caution and prevention with respect to the environment, the committee questioned compulsory pilotage, particularly in the St. Lawrence and in the Seaway.

This proposal is contrary to the worldwide trend to expanding pilotage areas and raising safety standards. A catastrophe like that of the *Exxon Valdez* would be an environmental disaster for the St. Lawrence River and the Great Lakes.

The Liberal majority on the Standing Committee on Transport, with its concern for cost cuts and free competition, has completely set aside environmental concerns. We hope that the Minister of the Environment will use her influence with the Minister of Transport to ensure his decisions reflect the principle of sustainable development.

[*English*]

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, sometimes in our lives we are given the opportunity to help those who have spent their lives helping us, those who have worked hard, paid their taxes regularly and have been responsible Canadian citizens. Many of them fought in the second world war and risked their lives for each one of us to live in peace.

These law–abiding citizens have paid their way. We have our health programs, UIC, workers' compensation and good working conditions today because this group of Canadians worked for them.

We, the MPs of the 35th Parliament, have the opportunity to do what our constituents sent us here to do: to work together for the good of Canadians. I am speaking of an issue which is of importance to all our constituents, many of whom will be closely watching the results of our vote. It is a non–partisan issue, a Canadian issue.

Please help me to give our Canadian children the opportunity to see and visit with their grandparents. I ask for support on Bill C–232.

* * *

CANADIAN NATIONAL RAILWAY

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, it is bad enough that the Liberal government is planning to privatize rather than rebuild and enhance the services of Canadian National Railway, but now we learn that the shameful privatization initiative will not have any foreign ownership limits imposed upon it.

This obviously opens the doors for American ownership and control over our national railway, which until now has been the main economic link between eastern and western Canada and which has been a critically important player in the transport of grain to export positions.

If Canadians lose control of this vital component of our transportation infrastructure, we will be forced by default to allow such things as a continental grain market, which in turn will lead to the demise of the Canadian Wheat Board, another Canadian institution worth fighting for.

It appears the Liberals want to get rid of CN so badly that they are willing to sacrifice important and economically beneficial pieces of national identity. I call on the government to reconsider any rail line privatization plans, especially ones that do not limit foreign ownership.

S. O. 31

MENTAL HEALTH WEEK

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, mens sano in sano corporae. Everyone remembers the old saying, a healthy mind within a healthy body.

Today I would like to reverse the phrase. Without a healthy mind the body will not thrive. That is why I inform the House that this week is Mental Health Week.

During this week the Canadian Mental Health Association sponsors events across Canada to raise public awareness of mental health issues, to reduce the stigma of mental illness, and to encourage the acceptance of those who suffer from them. Health Canada supports the Canadian Mental Health Association through its grants to national voluntary health organizations.

The theme of this year's campaign is social support. There is no denying that positive interaction among family members, friends and co–workers will help to prevent both mental and physical illness.

This year the Canadian Mental Health Association is highlighting social support relating to stress, youth, physical health, the workplace and special needs in rural areas.

I hope members of the House will work with the Canadian Mental Health Association to make this week a success so we can all have healthy minds and healthy bodies.

* * *

VE DAY

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, it was 50 years ago that people around the world began celebrating the end of the long years of World War II. For Canadian soldiers, sailors, air crew, nurses, the merchant marine and all who served in the frontlines in northwest Europe, Italy, Sicily and Hong Kong, VE day ensured liberty for future generations.

• (1410)

We are proud of these people and of all Canadians at home who contributed so much in support of the war effort. In Etobicoke—Lakeshore we take special pride in the efforts and sacrifices of the men and women of our community and over coming months will recognize the value of their contribution.

We are proud also to see our Prime Minister representing Canada overseas as many countries come together to commemorate VE day and to honour those who lost their lives in war. The message the Prime Minister brings in 1995 is that Canadians treasure peace as much as they did in 1945.

I thank the many Canadians who struggled to give us the ultimate gift of freedom.

[*Translation*]

MONTREAL ECONOMY

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, yesterday, the Quebec minister responsible for restructuring released the findings of a study on the impact that separation would have on companies with head offices in Quebec.

The main finding is that 5,000 jobs currently located in these head offices could be moved out of the province if Quebec became independent. Once again, Montreal would be the hardest hit, since most corporate head offices are located in that region.

As the study shows, Quebec's independence would be extremely costly to Montreal's economy. Quebecers are fed up with these studies, these tricks and these U–turns.

The Pequiste government must stop causing this job drain with its obsession to achieve independence, and instead help us revitalize the economy.

* * *

QUEBEC SOVEREIGNTY

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, yesterday, before a partisan audience, the Prime Minister claimed to be convinced that the No camp would win the Quebec referendum, adding that he would continue to hold out his hand to the Quebec premier and ask him to join Team Canada.

However, since he took office, the Prime Minister keeps saying no to Quebec's legitimate demands. He closed the military college in Saint–Jean and he still refuses to approve a conversion program for the defence industry. His ministers also rejected MIL Davie's recovery plan, and his government refuses to withdraw from the manpower sector, in spite of the plea made by all those concerned in Quebec. And now the Prime Minister is tabling a bill designed to impose Canadian standards in areas under provincial jurisdiction. Quebec will not make the mistake of voting No at the referendum.

* * *

[*English*]

TAXPAYERS PROTECTION ACT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, nations around the world recognize that to preserve civil liberties there must be limits on governmental powers, including those of spending and deficits.

A growing number of provincial governments have balanced budget laws. We Reformers now urge the application of similar restraints at the federal level. We are proposing the adoption of a

taxpayers protection act which compels future governments to balance the budget every year.

The act will have sharp teeth. Members of any government that runs a deficit would face pay cuts of up to 30 per cent and a 75 per cent majority of Parliament would be required to override the provisions.

Canadians have long supported limits that prevent a governmental attack on individual freedoms. It is now time to limit government attacks on individual wallets. This is why we are proposing a taxpayers protection act as an economic bill of rights for beleaguered Canadian taxpayers.

* * *

[*Translation*]

FRENCH AS LANGUAGE OF WORK

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, yesterday, Le Conseil de la langue française made public a study on language of work indicators in Quebec.

I am pleased at the progress French has made as language of work in Quebec. The report reveals that, among other things, in 1991, over 67 per cent of senior jobs were occupied by francophones. The percentage of bilingual anglophones in Montreal has increased from 45 per cent in 1971 to 68 per cent in 1986.

All of this clearly indicates that the French fact is established in Quebec in all spheres of activity and that francophones, like anglophones, now have access to all the top jobs.

The study by Le Conseil de la langue française confirms what we have known for decades: it is possible to live and to succeed in a united Canada.

* * *

[*English*]

KENT STATE

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, 25 years ago today on a beautiful May morning a young woman put a daisy in the barrel of a national guardsman's gun. A few moments later, nine young men and women lay dead. With them died the dream of peace of the sixties generation.

• (1415)

Kent State's tragedy brought the Vietnam conflict home to the United States, but at the same time it pointed out a great difference between the cultures of Canada and the U.S. That same week thousands of young Canadians graduated from universities and the joy of our success was tempered by the tragedy in Ohio.

In our contemplation then as now, we were grateful for our kinder, gentler nation. We still are. For many of the sixties generation who now serve here, we pay tribute to those fallen youth by promising to stand forever on guard for tolerance.

ORAL QUESTION PERIOD

[*Translation*]

INTERPROVINCIAL TRADE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, with Bill C–88, the Agreement on Internal Trade Implementation Act, the government is acting as though it is eager to impose sanctions in the case of trade disputes between two provinces. The bill provides that the federal government may cut off transfer payments and suspend subsidies to any province that fails to comply with the internal trade agreement.

Would the Minister of Industry confirm that with the powers the federal government has assumed pursuant to Bill C–88, it will be able to suspend or reduce any contribution for social programs financing in the case of a province that does not comply with the agreement on internal trade?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I could go along with the hon. member's suggestion, but the answer is no.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, if we read subclause 9(*d*), that is what it says. Since that is not the government's intention, I would like to ask the Minister of Industry whether he could make a clear commitment to amend the bill so as to exclude retaliatory measures in the form of suspending or reducing transfer payments for social programs financing in the case of a province that did not comply with the agreement.

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I think the bill is quite clear. It concerns only the amendments required in federal jurisdictions to ensure that our statutes reflect our obligations under the agreement on internal trade.

If the Bloc wishes to propose amendments, it will be able to do so in the course of the parliamentary process.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I want to make this very clear. This week, when we were discussing cuts in social transfers, the Minister of Finance rose in the House and said that they were going to change the bill, that it is not what they wanted to do, although that is what it says in the bill.

Today, the Minister of Industry tells us they do not want to cut social transfers to the provinces, although that is what it says.

Would the minister agree that the retaliatory measures provided in Bill C–88 are so broad that they would allow the federal government to interfere in disputes that are, first and foremost, a matter between two provinces, disputes that are none of its

business, so that the federal government would be able to cut social transfers to the provinces as a retaliatory measure?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I want to make very clear what the federal government's position has been throughout the negotiations last year on the internal trade agreement and as we bring forward the legislation which will implement that agreement with respect to the federal level.

We have entirely and totally pursued a process which is consensual. All 10 provinces signed the accord last July 18. The new Government of Quebec stressed at the one meeting which has been held since the most recent Quebec election that it is fully supportive of the internal trade agreement.

• (1420)

This has been a process in which some have criticized the federal government for not using powers which it is said we might have. The fact is we prefer to see the regulation of internal trade, interprovincial trade, affected by agreement among the partners to Confederation. That is why we signed an internal trade agreement. That is the policy of the government and there is no further clarification required.

* * *

[*Translation*]

EMPLOYMENT CENTRES

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

In a document dated March 23, the Department of Human Resources Development brings into question all programs and services provided to the unemployed, notably by closing down many employment centres in Quebec and Canada.

Does the Minister of Human Resources Development confirm his department's intention to reduce direct services to the unemployed, and is this a new, concrete initiative by the federal government to fight poverty?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): On the contrary, Mr. Speaker. In fact, we established a new program that will provide direct services to many unemployed workers across Canada. It is very important that the Department of Human Resources Development reform the unemployment insurance system.

I want to assure the hon. member and all her colleagues that the reason behind the important changes resulting from the reform was to provide more effective and advanced services to the unemployed, and particularly to foster co–operation among all stakeholders, including unions, business people, provinces and municipalities, in order to fight unemployment and poverty.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I think it is important for the minister to understand that we know about a project that will considerably reduce the number of employment centres throughout Canada and Quebec. We also know that there will be major layoffs in late May and that many places will have to make do with automated job banks.

Does the Minister of Human Resources Development admit that unemployed workers outside the major centres will be the main victims of this reduction in services, as many of them will no longer have access to expert staff and will have to make do with machines?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member is getting highly agitated over a decision that has not yet been made. She has built in all kinds of assertions, assumptions, propositions, hypotheses, none of which she can bear out by any fact.

The reality is that of course we are reorganizing. With the advent of new technologies by which we can share information much more effectively between centres, by decentralizing our programs so that we can work in partnership with local groups and not have to deliver through central bureaucracies we believe we can achieve a much more effective delivery of services to the people who need them.

I am surprised. Here is an hon. member who in the past has given us grand declarations about the need to devolve and decentralize to community control and community operations. We are doing it and now she is complaining.

* * *

ATLANTIC GROUNDFISH STRATEGY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, according to National Sea Products, 25 of its fish processing workers have left full time jobs for assistance under the Atlantic groundfish strategy. That is TAGS, the government's $1.9 billion temporary aid package for unemployed fishermen and unemployed plant workers. National Sea alerted the human resources development department of this development on February 16 but has yet to receive a response from the federal government.

My question for the minister is: How many of the 25 National Sea Products employees in Lunenburg were accepted into TAGS and what is the minister's response to this unsettling development?

• (1425)

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I thank the hon. member for the question. Let there be no misunderstanding. Those who voluntarily quit their jobs are not eligible for TAGS. If they do so, I will disqualify them immediately.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the bottom line is that it would appear easier to qualify for assistance under TAGS than it is for unemployment insurance in Atlantic Canada. The fisheries workers with full time jobs are being induced to leave gainful private sector employment to take a chance on the government sponsored TAGS lottery. This effect is precisely the opposite of what TAGS was supposed to deliver.

What is the minister's explanation for how this program, after all the time and thought that was supposedly given to it, could be having precisely the opposite effect of what was intended?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member's question would be greatly helped if he knew something about the program and did not simply get his information from the front page of a central Canada newspaper.

Up to the first nine months of operations we have received over 52,000 applications. Thirteen thousand have been rejected because they were not eligible. It is not an easy get–on. Applicants must demonstrate a long term attachment to the fishery, which is a very clear requirement. They have to have actual weeks of employment in the fishery to determine it. If there are other criteria that are objected to, we will not accept it.

I have just told the hon. member that I will not accept abuse of the program. If anyone tries to get around the rules and tries to apply for TAGS when they are not eligible, I will disqualify them from the program. If the hon. member has any actual information, I would be glad to receive it.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if the minister's statements are accurate, one wonders how this program can already be $400 million underfunded because the demand is higher than what was expected. When this program was announced, the minister said it would serve as a test case for the government's new approach to social assistance from dependence on government to independence through training.

Price Waterhouse and now National Sea Products have provided evidence that this Ottawa originated social megaproject approach to unemployment simply does not work. The minister has been listening to the voices of 1960s Liberals and tired old bureaucrats when he should have been listening to the people of Atlantic Canada and to fresh thinking on social and economic development.

Given the problem identified by National Sea Products and given the advice by the government's own paid consultants, will the minister commit to rethinking completely his entire approach to the social and economic crisis in Atlantic Canada?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, this question comes from an hon. member whose party just recently put out a statement that it would eliminate about $12 billion from social programs. That would force most of the people in Atlantic Canada into abject and utter poverty.

The program has been in place for nine months. In that nine months we have received 52,000 applications; 40,000 people have been processed; 26,000 have been given basic benefits; 15,000 are on well–designed training programs; and over 1,000 are working on conservation resource projects. This is in the first nine months.

We do not deny it was an enormous and difficult task to try to rescue an entire industry that has collapsed in that region, but at least we are trying. We are working with the people of Atlantic Canada. We are relying on their resourcefulness, not the kind of negative 18th century thinking of the hon. member.

* * *

[*Translation*]

CANADIAN ARMED FORCES

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of National Defence.

In this House yesterday, in answer to my question regarding Colonel Oehring's report, the Minister of National Defence claimed that he had already answered the same question in reply to the Reform Party. Once again, the minister was mistaken. The Reform Party was concerned with Brigadier–General Jeffries' report, while I was concerned with the Oehring report, which stated that military personnel were consulting chaplains and psychiatrists more often and that a lack of leadership had resulted in an increase in the number of suicides.

• (1430)

How can the minister so casually dismiss this consequential report, confusing it with another?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, perhaps the hon. member should go back a little further in the record. This report was made public some time last fall.

I know the member for Saanich—Gulf Islands, the Reform critic, referred to this in the House. I did address those concerns either in question period or in debate. That does not mean to say we minimize some of the concerns in Colonel Oehring's report, which was not scientific but which did outline some of the difficult problems faced by members of the Canadian Armed Forces.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, it is unlikely that this was discussed last autumn, because Colonel Oehring's report was only issued in December 1994 while the Reform Party's questions date back to March 15, 1995.

Will the minister admit that, in this report, of which he was obviously unaware yesterday and still is today, one of his colonels states that one of the problems facing the armed forces is that the minister is not fulfilling his responsibilities?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, not to argue about specific terms, but when one talks about fall in this country it usually ends December 21, the first day of winter.

The report was unscientific, some findings by a colonel who had some concerns about problems of morale in the forces. It was made available to the commander of land forces. We have looked at it. Some of the concerns are being addressed, as are the concerns addressed by Brigadier–General Jeffries in his memo.

* * *

MEMBERS OF PARLIAMENT PENSIONS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, Canadians will not be fooled by the government's half hearted attempt at MP pension reform because really nothing has changed.

MPs pensions will still be unacceptably high and Canadians will still be forced to top up the trough to the tune of $7 million annually.

The President of the Treasury Board said these changes will save taxpayers over $3 million a year. That would just about cover the Deputy Prime Minister's pension under the new plan.

Why did the government not replace the entire MP pension scheme with a more realistic private plan such as others live with outside these walls?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the bill is being dealt with during debate but I categorically reject the statement of the hon. member that I will not be covered under the new plan. I will be covered under the new plan.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, that was my point. She is covered under the new plan and apparently seems to be proud of it.

The government has released me from its obscenely lavish pension plan. I am no longer trapped at the trough but I would like to take a few members of the class of '88 with me because they are also able to opt out.

Not only has the government allowed me but has also allowed anyone who was elected in the class of '88 to opt out. That means the ministers of finance, health, transport and industry can all take their trotters out of the trough, hold their snouts high and opt out—

Some hon. members: Oh, oh.

The Speaker: Of course the Chair will grant virtually as much latitude as it can in the questions. The hon. member realizes today the bill on MP pensions is under discussion. I am trying to hear the question. The preamble was skirting dangerously close to the bill.

If the question is general enough I would like to hear it now.

• (1435)

Miss Grey: Mr. Speaker, I would like to ask it now. Why will the government not open the doors to all 295 members of the House so they can make the same choice, do the right thing and opt out of this obscene plan?

* * *

[*Translation*]

GOVERNMENT SPENDING

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday, we could read in *The Citizen* that the federal government is about to host an international conference on tobacco farming in the third world and that this conference will be held at a beautiful resort in the Italian Alps, thousands of kilometres away from the Canadian capital.

Does the minister find that it makes sense, at a time when cuts are made left and right in the health sector, for Health Canada to spend nearly $1 million on a conference on tobacco farming in the third world?

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, I think the hon. member has been the victim of misinformation.

On the whole issue of the tobacco conference, the government has joined with other governments to give money to the International Development Research Centre looking at the issue of tobacco use in developing countries.

The government has given that group $700,000 over a period of three years. The group is now holding its meeting to fund

raise. The World Bank and other international organizations will be at the meeting to contribute more money to the fund.

It is being held in Italy because the site has been donated by the Rockefeller Foundation. It is being held in Europe because most of the members will come from the eastern European bloc countries and it will be cheaper for them to attend.

Health Canada has not been asked to attend. No Health Canada officials are going.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, how can the federal government reduce medical research funding and transfer payments, forcing the provinces to cut back on health care, while at the same time wasting $1 million to host a conference in the Italian Alps?

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, maybe I did not make my answer clear the first time.

Health Canada and the government have not donated a single penny to the conference in Italy.

* * *

[*Translation*]

ABORIGINAL AFFAIRS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, we heard yesterday the tragic story of 40 children who were abused both physically and sexually at the Lac Barrière reserve in Quebec. Several of them also have drug and alcohol problems.

In addition, Health Canada spent $150,000 on controlling drug and alcohol abuse, fighting family violence and promoting mental health.

Since the minister assured us just the other day that he was making progress on these issues in Quebec, what does he intend to do about this?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in the absence of the minister of Indian affairs and the Minister of Health, I will have to take the specifics of the question under advisement.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, let us try another.

Last year a group from this same Algonquin reserve sent the minister a letter pleading with him to remove the chief, who is unelected and has been convicted of assault.

The minister has a fiduciary responsibility for the personal safety of band members and this tragedy is clearly a violation of the person. What does the minister intend to do about this?

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

[*Editor's Note: Member spoke in Inuktitut.*]

• (1440)

I apologise. I will take the question under advisement and give it to the minister.

* * *

[*Translation*]

HUGHES AIRCRAFT

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, in 1989, Hughes Aircraft signed a $380 million fixed cost contract to computerize the Canadian air traffic control system known as CATS. We have learned that the project, which was initially slated for completion by 1995, is far behind schedule and that its implementation has been postponed until the end of 1998 or later, at an additional cost of $250 million to Canadian taxpayers.

Does the Minister of Transport confirm that Hughes Aircraft is unable to complete its contract under the terms laid down, and what does he intend to do about this?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I thank my colleague for his question because it is, indeed, an extremely difficult situation for the government. As soon as I learned about the potential problems with this project, I asked the auditor general to launch an investigation. I have also asked the deputy minister to start negotiating right away with Hughes Aircraft to find a solution that would be acceptable to the Canadian government and especially to Canadian taxpayers.

I totally agree with my hon. colleague. This is a situation that we will monitor very closely. However, I think that we have taken the appropriate measures at this time, and I fully intend to follow this matter very closely.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, since the minister confirms that he asked his deputy minister, Nick Mulder, to reach an agreement with Hughes Aircraft, could he confirm that Hughes Aircraft plans to reduce the size of its contract by 40 to 50 per cent, which would cost Canadian taxpayers another $250 million?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as the hon. member indicated in his first question, the contract was entered into some time ago. It is problematic. There are negotiations under way. I can confirm there are problems with the contract, with the delivery time and the cost of the contract. We are concerned about the technology and I

want to assure my hon. friend that every attempt will be made to negotiate a settlement in the best interests of the Canadian taxpayer.

I do not want to confirm or deny the exact numbers being discussed. I do want to share with my colleague our deep concern about a matter which has not been dealt with appropriately in my view which has resulted in some corrective measures being taken with the personnel administering that contract. The deputy minister and others who are interested will be reporting to me and I would be more than pleased to keep my colleague informed about the progress of this matter.

* * *

[*Translation*]

MONTREAL ECONOMY

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

A study initiated by the Government of Quebec was published yesterday. The report indicated that Montreal could lose 5,000 corporate jobs if Quebec were to separate.

Given that the rate of unemployment in Montreal is unfortunately already at 12 per cent, how could the Minister of Intergovernmental Affairs convince the Government of Quebec to cancel the referendum entirely and work seriously with the federal government to resolve the problem of unemployment in Montreal?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, there is no doubt that the Parti Quebecois and the Bloc Quebecois platforms are causing increased economic uncertainty and costing us jobs.

• (1445)

What is even more convincing is that this study was done for a minister of the Parti Quebecois, and it concluded that sovereignty will cost thousands of jobs in the Montreal area and that the platforms of the two parties, up to now, have weakened Montreal's economy.

The federal government was able to help create 76,000 new jobs in Montreal last year. We spent $175 million through phase 1 of the Infrastructure Program, and we are extremely disappointed to again see studies proving that sovereignty is costing thousands of jobs in Quebec and in the Montreal area.

[*English*]

BABBAR KHALSA SOCIETY

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, three years ago Revenue Canada granted charitable status to the Kamloops based Babbar Khalsa Society.

This militant organization has been dedicated to the violent separation of the Indian state of Punjab for over 10 years. The now deceased founder of this organization is suspected of masterminding the terrorist bombing of Air–India flight 182 in June 1985, which resulted in the death of 329 individuals.

Can the Minister of National Revenue please explain how such a group could obtain and continue to receive charitable status?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, some 72,000 organizations have charitable status and the ability to hand out receipts for tax purposes.

The member should recognize that the vast majority of these act very much in the public interest, carry out necessary functions in this society whether it be with respect to health, education, relief of poverty or other such matters.

Many in this group deal with immigrant groups in Canada. Many of them carry out excellent work. The member is wrong to single out a particular organization of which there may be one or two individual members about whom I know nothing and attempt to blacken the entire charitable status of all organizations dealing with immigrants. These organizations assist them to integrate into Canadian society.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Babbar Khalsa Society in Kamloops continues to provide financial support to Babbar Khalsa International, one of the few militant groups still committing acts of terrorism in the Punjab.

Could the minister please explain to the citizens of both Canada and India why the Canadian taxpayer is subsidizing terrorist activities in India?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the hon. member has made allegations for which she has given no substantial support in this House by way of evidence.

It is important for her to recognize that there may well be organizations that have activities overseas that are difficult for Revenue Canada to supervise and check. We have an ongoing program within Revenue Canada to examine the charitable status of all organizations that are involved in the charity or non–profit area. We do this on a continuous basis with the resources that we have.

There may be some activities overseas of some organizations on which I would be happy to receive information so we can check further. Under those circumstances, I would be grateful if the hon. member would provide that information so that investigations can be carried out rather than simply making allegations of the type she has made today.

* * *

[*Translation*]

SEASONAL WORK

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is directed to the Minister of Human Resources Development.

Rejecting the proposals for unemployment insurance reform tabled by the Minister of Human Resources Development, the task force on seasonal work recommended, as did the Standing Committee on Human Resources Development, dropping the provisions in his green book that discriminate against women and seasonal workers.

Considering the broad consensus that has developed on the discriminatory aspects of these two proposals in the green book, will the minister promise to drop them immediately?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as the hon. member knows, the consultation around the whole issue of social security reform, including unemployment insurance, is probably the broadest public consultation ever undertaken in this country. Over 100,000 Canadians, in a variety of ways, responded to a number of initiatives so their interests and views could be heard.

• (1450)

The committee report of the House of Commons is the key document. We supplemented that, as the hon. member said, with reports on seasonal work and other areas we have been working on. We are simply examining all the representations at the present time.

No decisions have been taken, but I can assure the hon. member that we will take very seriously the concerns and issues raised in both the Commons report and in the seasonal workers' report.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the minister apparently is in no hurry to answer the question, but aside from this evasive reply, does the minister not realize that discrimination, whether it is directed against women, seasonal workers or young people, is entirely unacceptable and has no place in his proposals for unemployment insurance reform? It seems to me he could at least say that today.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I have no problem in saying that any reform we want to propose to unemployment insurance will seek the ultimate in fairness and distribution of opportunities.

However, I want to repeat to the hon. member something which I think he knows is important because he was very active on the committee. There was a very large and overwhelming consensus in the country by all those who reported that we must shift the emphasis from unemployment insurance simply as a payment of benefits to providing investment in individual Canadians to help them get back to work. Perhaps the most fair, just and equitable thing we can do is give every Canadian a chance to work.

* * *

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, yesterday I asked the immigration minister what he was going to do to stop abuse of Canadian generosity by Sri Lankans who claim to be refugees but then take vacations in Sri Lanka.

Unbelievably, the minister said that he had not been told about the problem. He did not know that all through 1994 immigration officials had been identifying people in Sri Lanka who had refugee status in Canada.

Was the minister aware that bogus refugees were being identified in Sri Lanka? If he was, why did he not do anything about it?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member just said bogus refugees in Sri Lanka. The member cannot prove that individual refugee claims that may have been placed years ago were bogus. People were accepted as refugee claimants, became landed residents and ultimately became Canadian citizens. They had the ability to travel and with different clans persecuting other clans, circumstances changed. Conditions do change.

If a person makes a refugee claim, is granted asylum as a refugee and immediately turns around and goes into the area where he or she had been persecuted, of course I do not condone that. In fact applications have been revoked for that very reason.

However, one cannot in perpetuity suggest that somehow a refugee claimant at one point in time is not permitted to travel to any other part of the country. A number of legitimate refugee claimants take their security into their own hands. It may be because they have to go back to bury their mother or father. They may want to go back to take possession of the homes and

properties that were confiscated when they were persecuted. There are a lot of mitigating circumstances and we should not draw blanket conclusions.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Canada's humanitarian missions should be to seek out the needy and weed out abusers. Too bad the minister does not share that vision. His compassion extends to special interests and only second to real refugees.

If the minister did not know about the Sri Lankan abuse then what about the 380 Israeli claimants from democratic Israel who were accepted as refugees in Canada by his friends at the IRB?

When will this minister wake up, stop the abuse and protect real refugees who are being bumped back in the queue by these frauds? Quit talking and do your job.

The Speaker: I would ask members to please address the Chair in all of the questions and in the answers.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the problem with members of the Reform Party is they subscribe to jungle justice. Moments ago we heard from a member who undermined an entire organization operating in Canada because of guilt by association. If a person from the legion in British Columbia is guilty, does that mean we should say the entire legion is guilty? If a Canadian of Italian extraction commits a crime does the whole community have to pay?

• (1455)

Mr. Speaker, how do you know who is a refugee and who is not?

* * *

INFRASTRUCTURE PROGRAM

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, recently the provincial NDP government in Ontario wrote to 833 municipalities and alleged the federal government was not following through on the financial commitments of the infrastructure program.

I can tell the House the letter from NDP minister Ed Philip created a great deal of concern among mayors and municipal councils in the province.

Can the minister tell me what steps have been taken to reassure Ontario's municipalities of the federal government's intentions regarding the Canada–Ontario infrastructure works program?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the program was progressing quite well until the minister of municipal affairs of Ontario put out a letter which consisted of scaremongering in the information it put in front of many municipalities.

As a result of that I have today released a statement jointly with the Association of Municipalities of Ontario which indicates quite clearly that municipalities in Ontario can and should proceed with their projects.

The bottom line in the statement is this. No one should be holding back on tenders or contracts because they are unsure the federal government will live up to its commitments under the infrastructure works program. If a project has been approved, they can be absolutely sure the Government of Canada will meet all of its obligations and pay its share on time.

* * *

[*Translation*]

QUEBEC CITY BRIDGE

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, in a letter to me that included references to the Quebec City bridge, the Minister of Transport wrote, and I quote: "At a time when restructuring has made it necessary for CN to cut personnel, the company could hardly be expected to spend substantial sums of money out of mere aesthetic considerations".

How can the Minister of Transport claim that the maintenance of a major structure that is part of the railway network is merely a matter of aesthetics, when rust is eating away at the structure, which is bound to shorten its life expectancy?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, to answer the hon. member's question, we would not want to give the impression that the bridge is not safe. All these structures are checked regularly to ensure they are in proper shape to do the job for which they were built.

I know there is a problem with the bridge, especially the way it looks, and we intend to ensure that, as far as safety is concerned, there is no problem. However, I would not want to give the impression that for some reason, because of our concern about CN's finances or for some other reason, the bridge is not absolutely safe.

* * *

[*English*]

HEALTH CARE

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, along with the Reform Party, all provinces are now asking that Ottawa define core health services. This is imperative. The provinces want to know where the government stands on health care.

Can the Deputy Prime Minister tell us if the government will open up the Canada Health Act to define core essential services?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, no.

INFRASTRUCTURE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister of Transport. Three weeks ago the Minister of Transport stated that he was not prepared to put a cent into the port of Belledune as far as a grant was concerned any more than he would put grant money into the port of Saint John or anywhere else.

This week we have discovered that a $5.8 million grant was transferred from the federal government to the port of Belledune.

• (1500)

How can the minister justify giving a $5.8 million grant to the port of Belledune when a loan of $20 million has already been authorized to develop the port of Belledune and it has received almost $6 million from the provincial government as well?

Would the Minister of Transport please tell us how he can justify this when it is against his policy as stated by him three weeks ago?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, what I stated and what I will continue to maintain is that Transport Canada is not in the subsidies business.

What I want to explain to the hon. member is we have responsibilities for ports across the country. The Standing Committee on Transport has come forward with some recommendations which we will study very carefully.

We will continue to make sure ports like Saint John, Halifax, Vancouver and others have the facilities required to be able to conduct their business.

With respect to the situation at Belledune, it is a wonderful precedent that the Government of New Brunswick, the Government of Canada, Ports Canada and local municipalities are all contributing to the enhancement of the facilities at that port.

While we are making a loan of $20 million through Ports Canada to the port of Belledune, I want to reassure the hon. member that although the authorities at Belledune believe they can repay the loan I will take into account the request from Saint John to not have to repay the loan for $20 million we have already made to it.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the hon. Wayne Matthew, Minister for Emergency Services and Minister for Correctional Services from Australia.

I would also like to draw your attention to the presence in the gallery of Mr. Spyros Yatras, member of Parliament from Greece.

Point of Order

Some hon. members: Hear, hear.

The Speaker: This brings to a conclusion question period. I have two points of order.

* * *

POINTS OF ORDER

QUESTION PERIOD

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order today arising out of question period. I do so with some reluctance. This practice has continued now for some time and I want to draw to the House's attention and also to Your Honour the rules in respect of question period which do apply and which I think are relevant when the opposition considers questions it wishes to ask in the House.

This afternoon, Sir, you ruled a question or two out of order and I want to draw to your attention the provisions in citation 409 in Beauchesne:

> In 1975, the Speaker expressed in general principles in order to clarify the regulations and restrict the negative qualifications which traditionally have guided the Question Period.

On that occasion the Speaker said:

> A brief question seeking information about an important matter of some urgency which falls within the administrative responsibility of the government or of the specific minister to whom it is addressed, is in order.

It goes on under number (12):

> Questions should not anticipate a debate scheduled for the day but should be reserved for the debate.

That view was reinforced by a ruling by the Speaker in 1986 and which is quoted in citation 410 of the sixth edition of Beauchesne:

> In 1986 the Speaker put forth further views in light of more recent conditions and precedents. It was observed that—

I need not repeat the entire citation but I turn to paragraph (14) thereof:

> Questions should not anticipate an order of the day although this does not apply to the budget process.

I know hon. members opposite would like me to dispense with reading these important practices of the House. They have been rigorously enforced for many years. I know Your Honour in seeking to enforce them today was acting in the very best traditions of the House.

I can only urge Your Honour to continue to do so with vigour and ensure practices outlined in 1975 and 1986 are adhered to by the opposition.

• (1505)

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am very disconcerted by the words of the hon. parliamentary secretary for the government House leader.

Point of Order

There are two points that I would like to make. First, I have observed in the House in past debates, one example being a question on Bill C–76 about deliberations in committee, abrogating the rules, that the hon. member was not concerned with that matter whatsoever.

Members on the government side have challenged the results of votes in the House. That is against the rules and that has not been challenged. More important, the hon. member for Beaver River in her question did not deal specifically with the bill under debate today but rather the agenda of the government which was brought forward in discussion papers and in the bill being debated today. She did not speak specifically to the bill. She did not mention the bill. She talked about something the government has been putting forward for debate for some weeks or even months.

I do not understand why some in the House can specifically speak of bills by name which are under debate in committee or in the House with no challenge when the hon. member for Beaver River spoke in a general way about the agenda of the government and was not permitted to complete her question.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I would like to address the two points raised by the hon. House leader across the way. First, the citation in question in Beauchesne specifically excludes the budget. Therefore the allegation that this should have been applied to the motion to discuss the main budget bill does not at all have anything to do with the issue now before the House.

Second, the issue in question is further complicated by the fact the hon. member who asked this question earlier today specifically about the content, the main subject, dare I say, of the bill now before the House being debated this day in contravention of the citation has also proposed a motion today in the House to amend the bill now before the House. She was debating her own motion at the time we are speaking of which further strengthens the point raised by the hon. parliamentary secretary.

The Speaker: I do not want a debate back and forth. When hon. members are on their feet and want to speak on a point of order, as much as possible their arguments should be contained in the time they are on their feet.

I will allow the hon. member for Kindersley—Lloydminster to make a brief statement.

Mr. Hermanson: Thank you, Mr. Speaker. I do want to respond to what the government whip mentioned.

We were not talking about a debate on the budget, we were talking about a specific bill, the Budget Implementation Act, which is a bill like all others, which was specifically mentioned in the House and was not challenged by the government side or by the Chair. It was much more specific than what the hon. member for Beaver River said in her question.

I believe the hon. member for Beaver River acted properly according to the rules and I ask hon. members on the opposite side to recognize that.

The Speaker: Colleagues, you have left decisions to the Chair to be made in the course of question period and in the course of debate. I am well aware of the quotations cited by both sides from Beauchesne. As much as possible, in the course of question period I have tried to give as much latitude as I can to members asking questions and to members giving answers.

• (1510)

If you are to challenge your Speaker every time I make a ruling in the House, I make the ruling with the very best of intentions, that the rules be followed. If you wish to pursue this conversation with me, I invite you to come into my chambers. For today from my point of view from what I heard, I permitted the first question from the member because although I thought it was borderline it was general enough to be asked. In my view the second question was out of order. I ruled it as such.

If every time I make a decision on our behalf as to make the House function we will be coming into these points of order, we will be using a great deal of time.

On the other hand, I recognize we have legitimate points of order, perhaps every day. I am always willing to listen. I beg you to give your Speaker enough latitude to conduct question period as it should be.

MEMBER FOR NUNATSIAQ

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise on a point of order under Standing Order 37.

Today we raised a serious question about the sexual abuse of children on a reserve in Quebec. I ask you, Mr. Speaker, to agree contempt was shown to Parliament by not only the parliamentary secretary who made light of the question but the government side members who laughed in derision on this very serious issue regarding the sexual abuse of children.

The Speaker: In response to a question an hon. member spoke in another language. There is no rule I know of that says we cannot speak in other than either of the two languages.

It makes it more difficult for us to understand but what I heard from the hon. member was that he would take the question under advisement.

As to any other reaction, the Chair has 294 reactions to virtually every question and answer given. I do not find a question of contempt of Parliament in this issue. I thought it was in the normal course of give and take and that is why I did not intervene.

I do not find contempt of Parliament in this circumstance.

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is of course directed to the Leader of the Government. Could he perhaps inform the House about the business of the House for the coming days?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, this afternoon we will continue with second reading of Bill C–85 on MP pensions.

When this is completed we will return to third reading of Bill C–43 on lobbyists, followed by report stage and third reading of Bill C–67 respecting veterans, second reading of Bill C–70 concerning income tax, and report stage and third reading of Bill C–54 regarding old age security, the Canada pension plan and related matters.

Friday we will resume at the point where we left off today. On Monday the House will not sit until two o'clock in the afternoon to enable members to attend services commemorating the end of the European part of the second world war.

In the afternoon after question period and on the following days we will resume business where the House left off Friday. This will be followed by second reading of Bill C–88 regarding internal trade, Bill C–87 regarding chemical weapons, Bill C–86 regarding the Dairy Commission and Bill C–82 regarding the Mint.

• (1515)

The Minister of Transport intends to introduce a bill tomorrow concerning the CNR. It is the intention of the government to propose that the bill be referred to committee before second reading, using one of the new procedures adopted by the House last year.

It is my hope we can deal with that motion early next week. I would also like to find the time to deal with report stage of Bill C–41 regarding sentencing. Finally, next Thursday shall be an allotted day.

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain

provision, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mr. Kilger): The hon. member for Peterborough has approximately 17 minutes remaining.

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, before the break for question period I was speaking to Bill C–85 which is designed to reform the pensions of senators and members of the House of Commons. I was making the point that I was pleased by the fact the double dipping provision was so strong in the proposed legislation.

Previously I mentioned other aspects of the bill which I am sure will be addressed by other members. I should like to spend the time remaining to me dealing with double dipping. I begin by placing on the record a definition of the term double dipping, which has become so widespread in recent months.

When I speak of double dipping I refer to the practice whereby a former member of the House of Commons or a senator simultaneously draws a pension under the Members of Parliament Retiring Allowances Act and is paid in respect of employment or an appointment or a contract for services by the Government of Canada.

In the changes in Bill C–85 the government is carrying through on the promise made in the red book to end the practice of double dipping. Canadians have made it very clear that they find the practice unacceptable. In response to this criticism the government announced early in its mandate that amendments would be made to the pension arrangements for MPs to put a stop to double dipping.

Before we look at the actual proposals in Bill C–85 I should like to say a few more words about the public's concern about former members appointed by the federal government to jobs that some might characterize as being in the gift of the government. These so–called appointments are within the control of every government. The government has recognized that the public views the appointment of a former MP in receipt of a pension to a position of this nature with a good deal of concern.

In this context members present today may wish to take note of the fact that in the case of a number of recent appointments made by the government, appointees who are also former members of Parliament have either taken salary cuts in their new jobs or have made a gift of their pensions to the crown. In the practical day to day sense the double dipping terms of the new legislation have already been put into practice by the government.

The government takes the concerns of Canadians so seriously on the issue that it is putting an end to double dipping even though some view pension entitlements as an earned or accrued right. Viewed as an earned entitlement, some pension experts believe that subsequent employment should have no effect on an individual's pension.

However the government accepts the public's concern regarding the issue and realizes that pensions for former members are and must be viewed in a different light. As I mentioned at the beginning of my remarks, I believe the symbolism of what members of Parliament do is very important.

• (1520)

It would be instructive to begin our examination of the double dipping proposals in Bill C–85 by looking at what type of re–employment will be subject to the new rules. The proposals in the bill are very inclusive. If a former MP entitled to a pension becomes employed in any capacity by the federal crown or by a crown or departmental corporation, the former member is required to report that he or she has obtained the employment. In addition, the report that is made must also reveal how much remuneration will be paid in respect of the employment.

Perhaps at this point I should say a few words about the reporting system, the system of monitoring whether a former member becomes re–employed in the federal sector. The same system applies to a former member who is appointed to a position or obtains a federal contract. It is built upon self–reporting. It is the responsibility of the former member appointed or employed to report that it has occurred and how much remuneration is attached to the job. The government has no desire to see a huge bureaucracy built up in an attempt to monitor the activities of former MPs.

I should like to make one more digression. When I refer to crown corporations and departmental corporations it might be useful for members of the public if I gave an example of each, just to give some idea of the breadth of the new prohibition on double dipping.

Canada Post is an example of a crown corporation and the Atomic Energy Control Board is an example of a departmental corporation. These are the crown corporations that will be covered by the bill. As I said, the same reporting requirement applies to any appointment of a former MP in the federal public sector, that is any appointment under the auspices of the federal crown including crown corporations and departmental corporations. An appointment to judicial office would be included, as would be an appointment to diplomatic office.

Any appointment that may be made by the governor in council is included. Any appointment to any board, tribunal, agency or commission in the public sector is regarded as an appointment to which the double dipping provisions of Bill C–85 will apply.

Finally, it should be noted that any contract for services entered into by a former MP with the federal crown is also covered by the amendments in Bill C–85. The former MP will be required to report that the contract has been entered into and how much remuneration will be paid in respect of the services to be rendered under the contract.

I should also add a further point with regard to the issue of contracts to illustrate how far reaching the pension reforms are. The bill goes one step further than just mandating that a contract between a former MP and the federal crown, broadly defined, must be reported. The bill also includes a provision that seeks to prevent a former MP from establishing a corporation, association, partnership or other entity which then concludes a contract for services with the government for the purposes of avoiding the application of the new double dipping prohibition.

To that end, where a former MP controls a corporation, association or like entity and the entity enters into a contract with the federal crown, Bill C–85 deems that contract to have been entered into by the former MP. As well, the remuneration the former MP must report is deemed, in the words of Bill C–85, "to equal the amount of the salary, fees and other compensation paid to the former member for or in respect of the services provided by the former member under that contract".

Moving on to the subject of remuneration received in respect of employment, appointment or contract, it must be said that the net under the legislation is cast very wide. All remuneration that comes in whole or in part out of the consolidated revenue fund is caught by the proposals of Bill C–85.

• (1525)

In addition, any remuneration paid out of moneys appropriated by Parliament is also included as remuneration that must be reported if it is paid to a former MP entitled to a pension under the Members of Parliament Retiring Allowances Act because the former member has obtained employment, an appointment or a contract with the federal crown.

While the aim of the bill is to cast a wide net in an effort to put an end to double dipping, it is not the government's intention to eliminate the practice in a way that will be unfair to former members in receipt of a pension who obtained employment, were appointed to a position, or entered into a contract for services prior to the coming into force of the amendments.

Perhaps I should mention that the amendments will come into force only when Bill C–85 is approved by both Houses of Parliament and given royal assent.

Another issue of fairness is raised by the amendments. I am referring to the trigger that will activate the double dipping prohibition as proposed in Bill C–85. Previous private members' bills that dealt with the issue of double dipping would have caused former members to lose entitlement to their pensions if they were in receipt of any remuneration from the federal crown.

This would mean that the entire pension would be suspended or abated if a former member earned as little as a dollar a day as a result of employment or appointment. One day's per diem from a part time position would have had this draconian effect.

The government felt that would be very unfair. Therefore the amendments proposed in Bill C–85 have set a ceiling of $5,000. If a former member earns remuneration of less than $5,000 a year, there will be no reduction in his or her pension. If more than $5,000 is earned the pension will be abated dollar for dollar.

The proposal put forth in Bill C–85 is reasonable and allows a former member to earn $5,000 before the double dipping provision is triggered. This will allow a former member to take a very short term appointment or a part time position and suffer no pension loss.

Bill C–85 provides regulations to be made to facilitate the pension reduction. In particular, there will be provision for the recovery of pension overpayments since it is quite likely that where reductions must be made in a former member's pension the actual reduction may not be made at the exact point when the former member commenced to receive remuneration from employment, an appointment or a contract.

I repeat that the government believes the proposals in Bill C–85, which will put an end to double dipping, are fair and effective. They are not retroactive because it would not be fair to change the rules of the game halfway through the game.

The proposals also allow a former member to receive a small amount of remuneration without pension penalty. I think members present will agree that the government has cast a wide net in its efforts to put to an end double dipping. It has been responsive to the concerns of members of the public who made it very clear that they do not approve of the practice.

Immediately following the election I followed pension reform very carefully. I am glad the government has now moved to meet its red book commitments. The double dipping component of the legislation, which I have just described, actually goes beyond what I envisaged was the commitment in the red book. I am delighted to see that.

• (1530)

For myself, as I mentioned at the very beginning of my remarks before the break, I do think that thought should be given to the matter of double dipping in the broadest public sector, elected and unelected officials at the local, provincial, and the federal level. I am delighted that in this legislation we members of Parliament in the federal House have moved to set an example in that direction.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I have a quick comment about the concept of changing the rules of the game.

I was approached by a gentleman in my constituency who would be in his early seventies and who retired from a coal mine also in my constituency. In good faith, he had paid into a pension plan, as had the company. Unfortunately, the company went bankrupt, and due to a number of different issues it turned out that the pension plan ended up being completely underfunded. Now that was not very fair. Here is a gentleman who was enjoying a modest income who suddenly dropped down to about $100 a month in his pension, where he had in good faith during his working life paid into that. It was absolutely and totally outside of his control.

I raise that as a point of interest to the member. Very frequently we have seen politicians who have said this is out of our control, or the people retired previously, so it must be fair, and so on and so forth. Well doggone it, unfortunately, in Canada, as everywhere in the world, there are an awful lot of things that happen that are unfair. So to just dismiss the idea of not looking at those who have retired and not asking if there is some fair and equitable way to put an end to the countless millions of dollars that are being paid out to them and in a fair way to reimburse them and then let them get on with their lives so that Canadian people can get on with their lives, maybe that is something that should be looked at.

I would be interested to know what, in his former life, the member did for a living. Listening to him, I assume that he must have been a professor of very dry subjects or a lawyer or somebody who loves to use 75–cent words all strung out in a long row when talking about the double dipping and all the issues involved in the legislation.

This act that is being brought forward by the government is attempting to cover every single, solitary eventuality. In fact, I believe that what the people in Canada are saying is they do not think politicians should be able to put themselves in some kind of unique category and unique classification.

Would he not agree that the people of Canada would accept, instead of a three to one or a four to one or a five to one payment on their part to what the politicians are going to be putting in, the idea of an industry standard of one for one? If the politician puts in $5 the people of Canada put in $5, instead of the politician putting in $5 and the people of Canada having to cough up $20, which is what this legislation still calls for.

Would he not agree that it would be the simplest thing in the world to wipe out what is presently in existence relative to the pension plans and come back with a program that would say that the politicians may, for every $1 they put in, up to a particular limit, be matched by $1 from the taxpayer? Then we do not need

to worry about double dipping, triple dipping, or any other kind of ice cream dipping. It does not make any difference, because in fact then the person would be in charge of their own destiny and would be out of the pockets of ordinary Canadians.

Mr. Adams: Mr. Speaker, I listened with great sympathy to the first part of the member's remarks about the miner he described and the unfairness of that particular case. My response to him on that, while I have great sympathy for that situation, is that quite simply two wrongs do not make a right. Because there has been one unfairness, I think it is important that wherever we can we try to avoid creating further unfairness.

• (1535)

On retroactivity in this case, if we went back to all the former members of this House who are now out in the workplace, we would find some who have returned to the public service. They could be former bureaucrats who have gone back into the bureaucracy; they could be people on appointments; they could be people on contracts; and so on. Some of those people may have moved from western Canada to Ottawa and made complicated family and financial commitments. Therefore, to undo their financial base at this time would be truly unfair. By the way, it would also be a great complication if we were to think of complicated legislation.

As to his question about my profession and the matter of dealing in dry subjects, I was a professor, but not of dry subjects. My field of research was ice, and I worked in the area of hydrology, so the work I did was really quite wet. My research was on ice and I worked on sea ice and lakes in all parts of the north. For example, I worked on the effect of ice on fish. However, I moved away from that type of work to skating on thin ice in this House. I would also say to the hon. member that my remuneration has changed considerably, and considerably for the worse.

Having said all of that, I do not apologize for trying to explain legislation as well as I can to members of this House and to the people of Canada. We all have difficulty reading bills and reading the acts that govern this country. I understand why they have to be written very carefully and in very precise legal language, because of precedents and the way the courts will have to interpret them and so on. I would say to the hon. member in all sincerity that I think one of our duties is to try to explain legislation to the best of our ability, whatever our abilities are, to the people of Canada. That is what I was trying to do in the area of double dipping.

As all members know, we cannot control the future through written legislation. However, as far as is humanly possible this legislation with respect to double dipping is written to try to prevent people from getting around it, which unfortunately all sorts of people appear to do with our legislation.

I do not apologize for trying to explain legislation to the people of Canada to the limits of my ability.

Mr. Abbott: Mr. Speaker, I was not intending to be critical of the hon. member's explanation of all of this verbiage that is contained in the agreement, although with his reference to ice I must say that a lot of people in Canada think that legislation typically goes through the House at the speed of a glacier, so there is some connection with ice there.

However, my question still is that rather than having a whole, long, complicated document that the member has to stand up and, to the best of his ability, explain, why is it not just wiped out? Why do we not just match one for one? Why do we not go to an industry standard? Why does he not put down his $5, I will put down my $5, and the Canadian taxpayers can put down their $5?

Mr. Adams: Mr. Speaker, I do have sympathy with the remark regarding this House sometimes moving at glacial speed. I know it does. I think that all members have been frustrated from time to time. One of the reasons for that is the system of enormous checks and balances that are placed on us.

I would point out to the member, and perhaps we can discuss this afterward, that it is my hope that this legislation moves through at the rate of a glacier surge. If the member does not know what surging glaciers are, there are about 200 glaciers in the world that are moving at a speed that for glaciers is quite catastrophic. It is my hope that this legislation will move at least at that speed.

• (1540)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I do not intend to talk about glaciers. I do not intend to talk about all of the aspects of C–85 either.

I heard a number of comments prior to question period, particularly from the member for St. Boniface, which I believe have to be answered. Accusations were made that many of us on this side of the House ran for some fairly questionable reasons. We have heard that a lot of times. Maybe we should just go back and review very quickly why most of us on this side of the House ran and I am sure on that side of the House also ran.

Certainly we were concerned about the debt and deficit. It is only fair to say that when we looked back at 1984 we thought that a change had to be made. We were at $180 billion. We had someone who promised he would take care of it. By 1988 he did take care of it. We were at $375 billion, and we were told it was still a problem. By the time we got to 1993 we were at $489 billion and then we really knew we did have a big problem.

An awful lot of us got involved back in that 1988 period because we saw not only this debt and deficit, but we saw corruption, mismanagement, waste, and a government that was not listening to the people. We saw that by not listening it meant that a message would come down from on high and go back to the riding and we would be told what was good for us from the party.

The message was always going the wrong way, and the people desperately wanted to be heard. What they wanted to be heard was that they wanted to end so many of those things. They wanted to end the perks and the gold plated pension plan, which became a battle cry for citizens out there who were looking at that and asking what it meant.

They also were fighting the arrogance this place had. I would say that a lot has improved here, but certainly what we saw in question period today was not an improvement. We had a question answered in another language and everyone was laughing and cheering about it. That is arrogance and disrespect for this place. If that sort of thing continues the people will speak again. We can count on that.

We have problems in this country. The debt and deficit of course are getting worse. We have a criminal justice system that is in decay. The people are demanding change. They are asking about young offenders, parole, victims' rights, the time taken by the courts, the crime and the law and order out there. They are asking what the government is doing and if it is listening.

Instead, the government is fooling around with things like gun control and its own selfish, greedy pensions. That is what the government is wasting time on in this House. The public is listening and evaluating what this House is doing on that matter. They demand parliamentary reforms. They demand that we do something about that other place over there, that waste of money and time that we have. They demand that they are able to recall and fire an MP who does not do his job. They demand that they can talk on social issues and that we bring them back to them and speak for them. They demand in fact that people have the right in this place to have free votes. They demand that if they tell their member to vote against something a party whip should not be able to whip him into shape so that he has to go along with party lines or lose his committee position and position in this place because they go against the party, the almighty party from Ottawa that tells you what you have to do when you get home.

The government is not listening.

The Acting Speaker (Mr. Kilger): I am quite aware that there are some very strongly held views in any debate, this one certainly not being the exception. But I would remind colleagues on both sides of the House from all parties that all interventions be made through the chair and through the Speaker and not directly to you or whomever else.

Mr. Mills (Red Deer): Mr. Speaker, I maintain that the government is not listening. It is not listening on the young offenders, on crime control, on victims' rights. And it is not listening on pensions for the MPs.

• (1545)

We heard them, certainly in the dribble that was spewed out by the member for Winnipeg St. James. He talked about why politicians have such a low profile. He said that the people on this side are the ones that keep talking about it. That is not true. It is the people that are talking about it.

Ironically, a letter was delivered to me in the House just now from a constituent of mine. Parts of it might convey the message. It was sent as an open letter to the Prime Minister:

> As one of your employers, I expect Canada to be managed by real leaders worthy of trust. In the 1993 election campaign you promised to restore integrity to government.
>
> Where's the integrity in your MP pension reform, especially in light of your recent budget? You promised to reform pensions, then made only minor changes that don't come close to bringing MP pensions into line with pensions like mine. I have to save for my retirement and can't even depend on Canada Pension Plan any more, yet politicians get pensions that I pay for. Worse yet, many of your cabinet colleagues and long-sitting MPs manage to get away with no changes whatsoever to their original pensions.

I think that says an awful lot.

> If we must expect less, shouldn't our leaders also expect less? You promised integrity, but we see business as usual. Patronage continues, spending is out of control, and promised reforms and action plans have only meant discussion papers or empty words.

That is from someone at that grassroots level and it explains why people do not trust politicians. Let us look at other reasons they do not trust politicians. We have all read the books *On the Take* and *Beyond the Law*. We read that stuff and we see what kinds of things have happened in this place.

In the *Hill Times* the chairman of the committee I am on, the member for Rosemont, although he is misquoted a little, says that the joint foreign affairs committee had an $800,000 budget. He said: "Most committee chairs overestimate their budgets for the year. You do not know how much you need so you pad everything like mad". That is what people are seeing. That is why people are asking questions and that is why politicians get a bad name.

We are talking about savings and pensions for people. One of the biggest problems Canada has is that its people have about 7 per cent savings to the GDP. Countries like Chile have 25 per cent. Many of the countries in the Orient have savings higher than that. That is what provides stability for a country. People see politicians not taking care of those kinds of things. We should be encouraging people to save through RRSPs to build that savings level, so that money is invested in Canadians.

The GST is a good example of what we are talking about now. A party decided the GST was good for people. You MPs that were here then should take that home—

The Acting Speaker (Mr. Kilger): I caution the House and I remind all members that all interventions must be made through the Chair. If I can be more direct, the word "you" in reference to any other member of the House will not be accepted by the Chair in this debate or in any other situation.

Mr. Mills (Red Deer): MPs were told to take the GST back to their constituents and tell them how well it would work and how it was best for them. Mr. Speaker, you saw what happened when MPs went back and told the people that the top down message was the way to go. The message was loud and clear. It is not us across here that are giving politicians a bad name.

• (1550)

It is one of many things that have happened. Take the example of gun control. Gun control is being dealt with as a message from on high. What do the people want? People want crime control. They are not asking for gun control.

I come now to pensions. What is being done with this pension? The people of Canada do not mind paying the salaries of those members of Parliament who do the job for them. I have not heard much complaint about the salaries. However, they expect the pension to be the same as they can get in industry. That is all they are asking. If that were the case, I do not think there would be a problem.

What I really think happened was that a number of senior members on the other side decided no, we are here, we have it, we are not going to give it up. They demonstrated like so many do that they are not prepared to make sacrifices for the country.

Why should Canadians make a sacrifice if the leaders will not? The people who were elected in 1993 are caught in this thing. They know what people are saying because they are still in touch with their constituents. That is some 200 plus of us.

I am sure it was felt that members on this side would be split on this item. We feel so strongly about it in the Reform Party that 52 of us are going to take that exemption and get out of the pension plan. That is a pretty big surprise to the governing party.

I bring members to what is going to happen in 1997–98. We are all standing on a stage at an all candidates forum. I think about the questions from that crowd. I think about them saying: "Okay, there is a candidate up there who has opted out of the gold plated pension that some 85 per cent of Canadians in a survey said must be eliminated. Someone has opted out. All of the rest cannot opt out even if they wanted to because their party said they had to belong to that gold plated pension plan".

It will be a pretty tough position for other candidates to defend. Throw in a bit of gun control. Throw in a few of the other major issues and it will be even more difficult. We know that governments defeat themselves. They are seldom defeated from the outside.

It is just amazing that something like this would be dealt with this way. I can hardly believe, with all the spin doctors and all the professional consultants that the other party has, it would even consider gambling with something like this gold plated pension unless a lot of members plan to opt in or opt out, however it is going to work. It is certainly going to be an Achilles' heel in the coming election.

The people will be able to speak. The people have shown that already. The people have power now. In case members have not noticed, they demonstrated it in 1992 with the Charlottetown accord. They demonstrated it in the election very strongly about the GST and the corrupt items that we talked about. They certainly demonstrated it to the cable television companies. Members better believe that they are going to display their power in 1997–98 or whenever the next election is. The battle cry is going to be gold plated pensions. I guarantee it will be at the top of the list.

This is the sort of issue that to me touches everybody. All people think about their health, their old age and protection and security for themselves and their families. This is something to which every one of them can relate.

When you get something that everybody can relate to, Mr. Speaker, you now have a very definite issue. Members of the Reform Party are not going to let voters forget about the pension plan. We might be talking about guns, we might be talking about other things but those issues do not touch everyone. When we have an issue like taxes, an issue like pensions that touches everyone, people will respond.

• (1555)

I suppose the purpose of this House is for us to point out to everyone here the issue, the problems and what the people of Canada are saying about an issue like this. I respectfully put forward this point of view and say this is an issue we must deal with.

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, I listened with interest to the hon. member's speech.

The hon. member has made a comparison between what a member of Parliament and someone in the business community makes. It is important for him to remember and understand the fact that to have credible government we have to have credible people here.

In my other life I was a poultry producer. I was respected in that occupation and 18 months later I hope I am respected in this one. Personally I have not changed.

To become a member of Parliament it cost my farming operation over $12,000 a year. That was just in workmen's compensation payments and unemployment insurance to replace me.

When the hon. member talks about gold plated pensions and so on, a study was done that stated that members of Parliament were underpaid. We have by the way frozen our wages again. I know it is not an option because we cannot give ourselves a raise when we are telling everyone else to hold the line. However, the report recommended an increase in pay for members of Parliament. I would be more than happy if that happened to see the pensions done away with and work within an RRSP program.

We know we cannot have an increase in pay. The public will not stand for it. I agree with that. Therefore I feel the pension reform is more reflective of what that increase in pay would have been. I know if a member of Parliament was working in the business community he would be making a heck of a lot more money than what he is making right now.

Does the hon. member think a member of Parliament makes as much as a person in the business community does if he is doing the same job that we are doing?

Mr. Mills (Red Deer): Mr. Speaker, first, we are talking about pensions, not salaries. I will answer the hon. member's question about salary.

The Canadian public does not know what an MP does. I must admit that some of us who came here for the first time probably really did not know how much work was involved. If people knew the number of hours involved I think there would be support for higher salaries. In any business there would be some MPs who would not qualify but generally speaking MPs are underpaid.

A pay increase at least is honest. It is straightforward. If it is explained properly the Canadian public would understand that. They cannot understand a pension that MPs have rewarded to themselves that is totally different from other pensions. It is three and a half times better than you can get in industry.

Canadians cannot accept the dishonesty of that sort of a pension. What they could accept would be the honesty of saying: "These are the hours, this is the job that is done and this is the salary that should have been obtained".

You say you took a salary cut. I took a big salary cut too.

•(1600)

The Acting Speaker (Mr. Kilger): Order. If we get into an exchange of a personal nature by using the words you, me and so on, we could be getting into a very dangerous area. By and large our debates are conducted in a very parliamentary fashion, to the credit of all in the Chamber.

I remind members to direct their comments and interventions through the Speaker.

Mr. Mills (Red Deer): Mr. Speaker, I apologize. This is an emotional issue. It is one we feel very strongly about. It is certainly one about which my constituents feel very strongly. If there is one issue that has been raised more times than any other in the four years I have been involved, it has to be the one of MPs' pensions.

I get emotional about it. It has been four or five years that I have been talking about it. It is not something new. It is not a matter of just jumping on the bandwagon and saying we oppose it, as two former members said we were doing. If they checked the record they would find that most of us feel strongly about the issue. Mr. Speaker, your constituents feel strongly about it as well.

We have to put the facts on the table. I respect what the hon. member just said about salaries. That is how it should have been presented. If it had been done that way it could have possibly received all–party agreement. If it had been simply presented as a trade–off and package, bounced off the people to find out if they agreed, there was a good chance they would have accepted it. However I am certain they will not accept this type of pension plan.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, one of the frustrations for Canadians on issues such as this one is not knowing how to do something about it.

If we reflect on the Charlottetown accord, every politician in the House of Commons lined up to try to jam the Charlottetown accord down the throats of Canadians, with the exception of the Reform member for Beaver River. Canadians saw through the Charlottetown accord. They lined up on the cable issue. They lined up on a number of issues.

I have a question for the member. If Canadians are as upset about the issue as we believe they are, does he have any constructive ideas ordinary citizens might be able to use to make members on the other side aware of how frustrated they are?

Mr. Mills (Red Deer): Mr. Speaker, I would certainly hope the Canadian public has learned how to become involved in the process. I would go back to the last election and how they got involved and made a major change. The major change was a response to issues such as this one. They said: "Do not tell us what is good for us. We will tell you what we are prepared to have and to pay for".

I would tell Canadians to make sure they talk to their members of Parliament. They must talk to them, write to them, phone them, and tell them where they are coming from. They must do it soon. They must do it before the end of June so they will have input. When the bill gets to committee, I hope the government will deal with it in that way.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, I remind the House that every member has come here with honesty and integrity, working their buns off 24 hours a day in some instances for seven days a week. I do not think many came here looking for the pension. My only hope is that I live long enough to enjoy it after the gruelling work days we go through.

• (1605)

I am pleased to have the opportunity to contribute to the debate on Bill C–85. I would like to ask hon. members to think carefully about some of the issues underlying the design of the pension plan.

Over the last few years there has been a growing chorus of complaints from Canadians about the generosity of the pension plan. In general, the complaints focused on two features of the plan. The first was the immediate availability of regular monthly pension payments from the day of leaving Parliament for the rest of the individual's life. The second was the frequency with which former members were seen as being rewarded, not only with this lifetime benefit but with appointments to highly paid posts in public life.

The first criticism is certainly understandable. We all understand that the purpose of a pension plan is to provide income for individuals who have reached an age when ability and willingness to work have declined. At that stage of life it is reasonable to think that retirement from the workforce should be possible without catastrophic alterations in lifestyle expectations. That is why our system of taxation includes measures to encourage Canadians to save toward retirement years during their employment years and encourages employers to participate in the goal by providing employer sponsored pension plans.

While undoubtedly improvements could be made, I cannot imagine that anyone seriously questions the importance of maintaining a system of tax assistance for retirement savings. Obviously the question of when it is reasonable to begin receiving what is meant to be retirement income is a different matter.

We should really ask ourselves if we have in place adequate financial arrangements to allow a member of Parliament, who leaves the House before what could be considered normal retirement, to make the transition back to private life in a reasonable way.

The answer to that question, however, is not to begin paying a pension to someone who is only in his or her thirties or forties. Such a person will look for employment elsewhere and most likely will continue to accumulate retirement savings so that ultimately on retirement pension may come from several sources.

The establishment of a minimum pensionable age for the Members of Parliament Retiring Allowances Act as proposed in the bill ensures that the pension plan takes its place as building a portion of ultimate retirement income for a person who may have several different types of employment during a full career.

As I have indicated, I fully support the action proposed in the bill with respect to the issue of what is commonly referred to as double dipping by former members who are receiving pensions and are appointed or become employed in federal jurisdictions.

To a great extent the problem has its genesis in the previous issue of the age at which pensions have become payable. The public is understandably concerned when a 40–year old is drawing both a generous pension and a salary from public funds. Obviously it would not be fair. Nor would it be in the public interest to preclude qualified former members from public service at the national level. However it is fair and respects the public view to act in the manner proposed in the bill to expect the former member to report such income and receive less or no pension for the period concerned.

The legislation responds to two specific criticisms of our pension arrangements. I commend the President of the Treasury Board for carrying through on our commitment in this area. I draw attention to the fact, however, that the president has gone even further and has made a very significant change in the formula used to calculate benefits under the plan. The change will affect all present and future members of the House by reducing the level of pension benefits earned.

Until this time members of the House of Commons have earned pensions at the rate of 5 per cent of average sessional indemnity for each year of pensionable service. For service after the bill takes effect the rate will be reduced to 4 per cent of average indemnity. This means that members will be earning 20 per cent less pension in future, which I am sure anyone would agree is a very significant reduction in retirement expectation for members of Parliament.

• (1610)

For example, based on current indemnity levels, a member will be accumulating $640 less pension for each year of service. We are told by the President of the Treasury Board that this reduction coupled with the introduction of a minimal pensionable age will amount to ongoing savings to taxpayers of something like 33 per cent of the present cost of the plan. This would mean that government contributions to the plan would be lower by more than $3 million every year.

Undoubtedly some will say this reduction is not enough, that the government has not gone far enough, that MPs are not worth what they are paid, that pensions are part of the compensation and so on, that the plan goes far beyond what is provided elsewhere, that the plan is illegal, and that no one else in the country would be permitted to have such a plan.

Clearly the question of how much is enough is one with no factual answer. Every Canadian will reach his or her own conclusion on whether or not the government has gone far enough.

A number of points should be considered by the thoughtful people of the House before coming to a conclusion. I should like to address the much publicized view that the plan is illegal in some way. Those who suggest that no other Canadian could have such a pension arrangement because of other legislation such as the Income Tax Act are either misrepresenting or misunderstanding the rules.

While the income tax rules for registered pension plans are complex, the general concept is simple. The rules put limits on the maximum benefits that can be accumulated under a pension plan and thus govern the amount of contributions that can be made and tax sheltered. The rules do not prevent individuals or employers from setting aside other funds to provide additional retirement savings. They simply do not provide tax assistance for such savings.

As well, where employers sponsor such additional arrangements and set aside funds to pay for them, I am told that special tax rules come into play that considerably increase the cost of providing the benefits by applying a refundable tax of 50 per cent of all revenues to the plan.

The Members of Parliament Retiring Allowances Act was amended in 1992 to conform with the rules we expect other employers to obey. Part I of the plan provides the benefits that are permitted under the tax rules, while part II provides the benefits that are offside of the rules. The benefits are provided on a funded basis, which means the contributions are made at a level that provides for the 50 per cent tax I mentioned.

While this is a complicated and technical area, it is important to understand the plan provides an arrangement that is not denied to any other Canadian by law. The reason it is done this way is to ensure we disclose to the public the full cost of providing the benefits on the basis available to any other employer. That is why the government is paying taxes to itself to ensure full disclosure.

Having ventured into the arcane and mysterious world of tax treatment of pension plans, I will with some trepidation presume to place on the record a few thoughts about the financing arrangements for MPs pensions.

We have heard many allegations about the total amount that members will receive in pension benefits over their lifetime. Often these comments are accompanied by the suggestion that there would be huge but unknown demands placed on future taxpayers to cover the cost of pensions. The suggestion is that we are hiding from the public the total obligations that are coming in the future. This is simply not true. It is not the case.

• (1615)

The Members of Parliament Retiring Allowances Act imposes the requirement that each year the government contributes the amount which together with members' contributions will pay the cost of benefits earned by all serving members in that year. This means that enough money must be put in the pension account and shown as a government expenditure to provide for all pensions that will be paid in future in respect of members' service in that year.

In addition, every three years a report must be tabled in Parliament from the government's actuary giving his professional advice on whether or not the amounts in the plan are adequate to cover all the benefits to become payable under the plan. If there are shortages, the government must make additional contributions to cover them. This is disclosure.

While the funding of pensions is another complex and technical area, the point to be understood is that the full cost of all benefits, including those which may not be payable for many years hence, are recognized and expensed as the liabilities accrue. There are no hidden obligations which will only surface at some future date.

As I have indicated, these pension arrangements are legal. The proposal in Bill C–85 will make them significantly less generous for the future. I do not suggest this pension plan will be typical of the retirement arrangements found on average. It will still constitute a very good plan. Undoubtedly, some of the public and some members feel we should have gone further than a 20 per cent reduction in pension, but the consequences of such a step should be examined.

Rational people would agree that you get what you pay for. They would agree that members of Parliament should be fairly compensated for the work done on their behalf. It is unlikely that many of us are here for the generosity of the compensation package. I hope we are here in the spirit of service to our fellow citizens. We are here to do a very important job in the best way we can to serve our constituents.

The decision to seek public office is seldom an easy one in personal terms. It may involve personal sacrifice for each and every individual and for those closest to him or her in terms of their private time and their privacy. It certainly can involve financial sacrifice in terms of interrupting or abandoning a career outside government.

The question is: What level of compensation do we believe is necessary to ensure that qualified individuals continue to offer themselves for the service of this great country?

The Sobeco study commissioned by the previous government and tabled in 1992 certainly indicated that the overall com-

pensation package for members of this honourable House was less than that provided to individuals employed in other sectors in terms of what the report sees as equivalent responsibilities.

The authors of that study, who are professionals in the compensation field, did suggest that one element of the package, the pension plan, was unduly rich and should be cut back in favour of greater direct compensation. We are making a 20 per cent cut in that level of pension and instituting a pensionable age, a step the report also recommended. We are not increasing our pay. In fact, sessional indemnities remain frozen at the 1992 level and will for two years to come, and maybe more.

We have gone a long way in Bill C–85 in responding to the public's outcry that we do reform MPs pensions. We have gone beyond the promise in the red book that there would be an age limit and that we would reduce the input. We have responded to the public's interest and to their concerns while maintaining a compensation package that will not discourage well–qualified candidates from coming forward to serve this great institution.

• (1620)

We should not be reluctant to say to Canadians that we believe what we are doing on their behalf is important enough that it warrants a fair compensation package and that we will listen to their response.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the member was trying to tell us how justified members of Parliament are in receiving the compensation and how we are entitled to receive fair compensation.

Nobody denies fair compensation. Nobody denies a bank president, a janitor, a farmer, a parliamentarian just compensation. What we are talking about here is the pension plan that is uneven. It can reward one parliamentarian to a tremendous degree and another parliamentarian perhaps to a smaller degree and it is called fair compensation.

Not only that, the member talked about how members contribute and the government as the employer contributes. Therefore it is all out in the open as to how much it costs Canadian taxpayers for the pension plan.

Can the hon. member tell me how much over the last year the Government of Canada has contributed to the members of Parliament pension plan?

Mrs. Brushett: Mr. Speaker, it seems to me that hon. members who have come here have not come looking for a pension.

Mr. Williams: Then they should walk away from it.

Mrs. Brushett: They have come to serve their country. Let me give members a personal note as to why I am here.

The Acting Speaker (Mr. Kilger): Again, to remind colleagues that within parliamentary debate there can be a great risk if we become too personal in our discussions across the floor of the House. Respecting that a question has been asked by one member, we now will hopefully hear the reply from the member for Cumberland—Colchester.

Mrs. Brushett: Mr. Speaker, it is difficult to remain objective when we wonder what motivates others.

The pension plan is equitable for all members who are serving this honourable House. We have fulfilled a promise according to the red book to the public of this country and they are satisfied.

The hon. member refers to a bank manager. The bank managers I read about in most of the annual reports are earning something like $350,000 or $500,000 a year. Hon. members of this House earn $64,400 a year. That is the salary of hon. members of this House.

The pension is equitable for the amount of fairness in the system and in equation to our frozen salaries and is meeting the needs of the economic recession we are in. We have done the reform that badly needed doing. We have responded to Canadians and Canadians are satisfied.

Any Canadian who elects someone or throws someone out of office of this hon. House will not do it on the basis of the pension plan.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I appreciate the opportunity to ask a question on this very issue.

I would like to comment first on a figure just given by the hon. member. If the bank managers could hear the statistic that was quoted, they would be delighted if it were reality. For a bank manager to earn $350,000 would be by far the exception rather than the rule in this country, certainly the ones I am personally aware of. Perhaps this shows a lack of a sense of reality in this country.

• (1625)

Has the member calculated how she herself would benefit from this pension plan as compared to other pension plans? I wonder if the Liberal members have done that and then compared it to what they would have earned in another pension plan. I am not familiar with the hon. member's background, but what would her pension have been in her previous occupation?

Mrs. Brushett: Mr. Speaker, in response to the first part of the hon. member's question, from the annual reports of the Royal Bank of Canada and Bank of Nova Scotia, the salaries of the CEOs are quite significant. If the hon. member checks them out she will find they are substantial. The average salary for an elementary school teacher, as I understand it, is approximately $55,000 to $58,000. I do not think it is appropriate to use the time of the House to go down the list of salaries.

In terms of my previous life, my background was in science and research and I was a business woman. This is my first experience with a pension plan. I have always invested—

Mr. Williams: And you cannot wait to get it.

Mrs. Brushett: I hope I live long enough to get it, with the long days we put in seven days a week. I believe the constituents in my riding knew they were getting a hard worker which is why they elected me. It was not because of the pension plan. It will be in addition to or will supplement investments I have made. I remind the House that I still have children in university. Who knows what is ahead of any of us down the road?

This is an equitable and very fair plan. We have kept the promise to the people of Canada that we would reform. We have set the age limit which was an important factor in this country. We have reduced the luxury of this pension plan in relationship to the salary that members of this honourable House are paid and the package that is there, those who will attain it.

I must remind the member also that more than 50 per cent of members who come to this House never receive a pension. That is a very important factor to keep in mind.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion. I move:

That the Subcommittee on Aboriginal Education, composed of five members, of the Standing Committee on Aboriginal Affairs and Northern Development, be authorized to travel to Vancouver–Sechelt, Kuujjuaq, Cornwall, Cape Breton and Conne River from May 9, 1995 to June 3, 1995, and that a staff of three do accompany the subcommittee.

The Acting Speaker (Mr. Kilger): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to.)

GOVERNMENT ORDERS

[*English*]

MEMBERSOFPARLIAMENTRETIRINGALLOWANCES ACT

The House resumed consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee; and on the amendment.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am pleased to participate in the debate on Bill C–85 on the pension plan, which has been brought before us. This is the Liberal government's attitude toward reform and, according to the last speaker, this was equitable.

The previous speaker talked about the fact that because our salaries are so low we need this exorbitant, gold plated pension plan that is an obscenity in the fiscal arrangements of Canada. Even though the member was arguing about the fairness of this, she admitted that 50 per cent of members do not collect. That just totally destroys the argument right there.

If we are concerned about inequity in the salaries or compensation arrangements, that we are entitled to more, then surely we get a larger salary, not a larger pension. The pension is not the compensation for the work we do in this House. It is to keep us going in the years when we are unable to work because we are so old and decrepit. That is the theory of pensions. We find that while private and government sectors consider 60 or 65 to be the normal age before you are too old and decrepit to go to work, for parliamentarians it is 55, because we work so hard and make such a great sacrifice for our country. If I look around this room I do not think I will find one person who was dragged in here kicking and screaming in order to make a sacrifice for the country. They are here because they have chosen to be here.

• (1630)

Before they came here they knew what the salary arrangements were and they knew what the pension plan was. That is why they said: "Now I am here, I want to hang on to what I have. We know the Canadian public is mightily upset by what we have, therefore we will make a bit of a change and hope the masses quiet down so we can ride off into the sunset at age 55 with an indexed pension plan which will keep us going from the day we retire in our anonymity and enjoy the sun in our retirement at the expense of other Canadians".

This has been a debate today unfortunately about mistruths, half truths, innuendoes, blatant twisting of facts. The previous speaker talked about the benefits we pay under Bill C–85 being perfectly within the limits of the Income Tax Act. Of course they are. The only problem is every other Canadian has to work 30 or

35 years before they accumulate the same benefits we under this new bill will acquire in 19 years. Before that we acquired it in 15 years.

The previous speaker also said the contributions we make fall within the limits of the Income Tax Act. They do but let us take a look at the Income Tax Act. Members of Parliament have two pension plans. Let every Canadian know we have two pension plans.

The first meets the definitions of the Income Tax Act which say the maximum benefit we can get is 2 per cent per year. We make a contribution to a pension plan that falls within normal, allowable limits.

Then we make the contribution to the top up, the Retirement Compensations Allowances Act. Nobody else can have a top up because there is a penalty. An employer who has a pension above the bottom one has to pay a 50 per cent tax to the federal government. The federal government cannot pay a tax to itself, therefore it can have the top up pension plan with absolute and total impugnity.

That is why we have built the rules and the House has made the rules to accommodate members of Parliament who have been able to bend them for their own benefit. Nobody else can even think about having a pension plan as gold plated as ours, even though it may be legal, because there is a 50 per cent tax applied.

I mentioned we have mistruths, half truths and innuendoes. I could use worse words but you may want to intervene, Mr. Speaker, so I will leave it at that. I am sure everybody knows.

Let me quote a release dated April 20, 1995 from the Treasury Board secretariat, quoting the President of the Treasury Board in relation to Bill C–85: "The bill goes even further than the red book commitment and will reduce government spending on MPs' pensions by 33 per cent". That amounts to $3.3 million of the $10 million the plan currently costs the government.

• (1635)

Let us take a look at cost. Cost is perhaps the central issue in this whole argument. House of Commons estimates, 1995–96, table 5, under "Members of the House of Commons—salaries and allowances of officers, members of the House of Commons under the Parliament of Canada Act and contributions to members of Parliament retiring allowances account and the members of Parliament retirement compensation arrangements account" are $56,352,000.

I go back to the release from the Treasury Board that this amounts to $3.3 million the $10 million the plan currently costs the government. There was a little discrepancy there I thought. There is $56 million in the estimates and $10 million released by the Treasury Board.

I checked it out. I went back to the public accounts 1994, table 7.9: "Members of Parliament retiring allowances account". Contributions by members are $944,000. Contributions by the government are $2 million. The top up is contributions by members, $1.5 million; contributions by the government, $10.3 million.

The previous speaker said we contribute and the government contributes. If there is a shortfall the government contributes more. How much is more? I went to the 1993 public accounts, table 7.9: "1991–92 actuarial liability adjustment" under the members of Parliament retiring allowances account, $158 million; for one year $158 million extra actuarial liability adjustment. In the year 1991–92 that is what the Government of Canada paid to top up the unfunded liability of the members of Parliament pension plan, right here in the 1993 public accounts.

I am quoting from the government document. During that year members contributions—this is just the ordinary one, this is not the top up—were $945,000. Contributions by the government were $2 million. A bit of smoke and mirrors crept in here. After we threw in $158 million the fund goes up and to make sure the pot is relatively sweet we are paying 10 per cent interest on that. The interest the government paid jumped from the previous year of $3.4 million up to $20 million of interest the government threw in on top of its own contribution. It is still liable if it is underfunded to pay the extra.

Those are direct quotes from the Public Accounts of Canada.

Mr. Milliken: That is not a direct quote.

Mr. Williams: It is a direct quote. One hundred and fifty-eight million is what it cost Canadians extra; extra for the ordinary pension plan. I have not even talked about the top up provision. That is from the Public Accounts of Canada.

That is why Canadians are absolutely outraged. We talked today about the member for Beaver River who believes she walked away from a pension plan in which she would receive benefits in the neighbourhood of $1.25 million. I said to her: "Does that make you an ex–millionaire or a could have been millionaire?" We talked about that a little bit. We did realize that for everybody who opts into this pension plan they are want to be millionaires.

• (1640)

That, at the taxpayer's expense, is totally and absolutely unjustifiable. There is that ad on TV: Retire at age 55, freedom day on the beach in Bermuda; shorts, the sun is up. He is there with his wife. The ad says: "This could be you, too". Of course it is you over there.

The Acting Speaker (Mr. Kilger): Again I remind the House and all participating in this debate that all interventions will be made—I will remind you as often as I need to with the greatest of patience that I can find—through the Chair.

Mr. Williams: Mr. Speaker, I apologize. It was within context. I hope you appreciate that.

The ad I was talking about says: "You could be there". I was not referring to you, Mr. Speaker. I was talking to the government side.

The point I am trying to make is here we have written the perfect plan paid for by the taxpayers of Canada, not by one's own resources: age 55, on the beach in Bermuda, lapping it up, a drink in your hand and everybody else is back home working.

That is a crying shame. One of the other things I was thinking about was in the New Brunswick *Telegraph Journal* on May 3. There is an article about the indebtedness of Atlantic Canada as if Atlantic Canada were a country.

It says the indebtedness of Atlantic Canada would be somewhere between Uganda and Nigeria, in the most severely indebted countries: "The ratio of net public debt to GDP ranges from 121.8 per cent in Newfoundland to 93.1 per cent in New Brunswick". Here we are in Atlantic Canada drowning in debt.

The federal government and the provincial governments have a responsibility to manage our resources for the benefit of all Canadians. Here we are lapping it up for ourselves at the same time as we are allowing the country to dig itself into a hole $550 billion deep with no sign whatsoever that the government can even get out of it.

It is making the hole even bigger and yet its members continue to say: "It is a sacrifice for us here in the Parliament of Canada. We need this gold plated pension plan". Everybody else has to struggle for their jobs, struggle for their paycheques, pay taxes through the nose so that we can, with a gold plated, freedom 55 pension plan, be on the beach in Bermuda courtesy of the Canadian taxpayer. I do not think that is good enough.

I have an article about Liberal broken promises which says the Liberals promised not to increase the tax burden of Canadians. That is in the red book. We find in the last budget taxes are going up 1.5 cents on a litre of gasoline. Corporate taxes are up. Surtaxes are up. Everything is up.

The poor taxpayer is finding we are grabbing more and more money out of his pocket while he is concerned about his job. He is concerned about his mortgage as interest rates go through the roof. He is concerned about the education of his kids. He is concerned about what his kids will do, whether they will get a decent job while we take more and more taxes out of his pocket so we can make this great sacrifice and go and sit on the beach in Bermuda with freedom 55.

The Liberals promised to base federal appointments solely on competence rather than patronage. We heard the President of the Treasury Board today tell us about how he would put an end to double dipping.

This bill would stop double dipping because Canadians are fed up to the teeth with our gold plated pension plan in one pocket and a government salary in another pocket and maybe two pension plans after that is all done in another pocket. We can get out there and enjoy life after the great sacrifice we make while they have to pay after they try to educate their kids and pay their mortgage.

• (1645)

When he defined double dipping he said if you get money out of the general revenue fund of the Government of Canada, that is double dipping and therefore your pension is going to be reduced dollar for dollar.

Patronage appointments are things like being appointed to the board of Air Canada or to other boards of crown corporations. I was reading *On the Take* about the days when to be appointed to the board of Air Canada was a coveted patronage position, because, next to the Senate, which had all of the privileges granted by this House, the Air Canada board allowed people free Air Canada passes wherever Air Canada flew.

Appointments have been made by the government to crown corporations and not a nickel of the payments made to those people come out of the general revenues of the Government of Canada. Therefore double dipping will continue under this proposed Bill C–85 just as much and just as unjustifiably as it was before. And they tell us they have reformed the system. Reformed? Not one bit.

It goes on and on. They tell Canadians that they are going to get this place organized, that they are going to ensure that they will make a great sacrifice and that this country will get back on some kind of economic sound footing. Unfortunately, the only people who will get themselves on a sound footing are the people who get themselves elected to this House to make that supreme sacrifice of getting the gold plated pension plan so that they can get their freedom 55 and sit on the beach in Bermuda and enjoy it all while the poor Canadians have to work to pay the taxes and the debt and look after the kids.

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I did want to have an opportunity to ask the hon. member a question and perhaps make a comment in advance of doing that.

He is quite right that MPs do make sacrifices. One of the sacrifices I have had to make is to give up one of my favourite pastimes of reading fiction. Fortunately, sitting in the House today has been some compensation for that.

Let us talk about the figure of $156 million that he bandied about. Let us understand what that is. That is an accrual figure. For those members who understand a balance sheet, it would be like counting depreciation as a cash layout. It is not any such thing. It is a liability that would suggest that if every member of Parliament lived to their actuarial age and if every member of Parliament qualified for a pension, that would be the lifetime expense of the pension. First, 50 per cent of MPs never receive it, so that figure is nothing but an accrual figure that is used by actuaries who are dealing with a pension plan. It is not a true government expense.

Let us get down to what the true government expense is. Right now, under the present regime, it is between $10 million and $11 million. That will drop by 33 per cent.

Let us put into context what this great party across the way is battling and why it is so worried about economic concerns. This represents six one–thousandths of one per cent of the total government expenditure. The party that has come here to control expenditures, the party that has come here because Canadians have told them that we are spending too much, has all of this outrage to deal with six one–thousandths of one per cent of government expenditure.

Let us put it in a better light. If a member was earning $40,000 a year and decided they needed to cut back on their expenditures, the amount the MP's pension would represent in equivalent terms of that $40,000 is $2.40. That is all they would be dealing with, and that is all we are dealing with in the cost.

• (1650)

So I think that when the member describes these expenditures he should do it accurately and in the appropriate context.

I have one other point. He talks about the fact that double dipping is going to continue. I point out there are four members of his party who are double dipping using the definition he just used. I ask the hon. member: Are those four members going to stop their double dipping? Will they stop drawing their pensions from the public purse while they sit in this House and draw the MP pension? Or are they going to continue with double dipping? It will be interesting to hear the answer.

Mr. Williams: Mr. Speaker, you will recall that in my speech I did say this was a debate of mistruth, half truths, twisting the truth and so on.

To answer the member's question, in the Public Accounts of Canada, 1991–92, on page 7.9, and in the 1993 public accounts, volume one, it does say quite specifically "an actuarial liability adjustment of $158 million", which he tried to tell us was just one of those fictitious accounting entries that mean nothing to Canadians. The only point is that the following year this fictitious accounting adjustment that means nothing attracted about $17 million worth of interest the taxpayer had to dig into his pocket to find. In 1991–92 the interest paid on the retirement allowances account was $3.44 million, and that jumped because the value of the fund went up because they put in $158 million of taxpayers' money. That interest jumped from $3.4 million to $20,493,768. That is accurate. I am quoting from the public accounts.

I am saying this was real money the Canadian taxpayers had to come up with. That is the shame of the whole affair. Remember I quoted the President of the Treasury Board when he said that this new plan would reduce the costs by 33 per cent. That amounts to $3.3 million of the $10 million the plan currently costs the government.

I recall the questioner saying this $158 million was some kind of fictitious accounting adjustment to bring things all the way through to cover off pensions that would not be paid. This is an actuarial liability adjustment. The plan needed that.

I never talked about the retirement compensation arrangements account, which will likely need a significant top–up as well. If the member cares to read the public accounts, he can study how his government spends its way through $165 billion.

They talk about balancing the budget, yet spending stays constant. They hope to squeeze more taxes out of Canadians in order to balance the budget. If they think that is the way to go, let them go back and ask their constituents if that is what they want, if they want the government as they balance the budget to take them by the neck and give them a rattle and a shake until the money falls out so that we can pay these pensions and balance the budget. I do not think so.

Mr. Mitchell: I will ask my question again, because there were two questions. I got a part answer in one and no answer in the other. I will start with the one I did not seem to get an answer to.

There are four members of your party who are double dipping by the definition you used.

The Acting Speaker (Mr. Kilger): I would caution members to please put all interventions through the Chair.

Mr. Mitchell: Mr. Speaker, there are four members of the third party who, using the definition of the last speaker, would be considered to be double dipping using the term the way we use it here. I had asked for an explanation as to whether those members will stop that practice that he finds so abhorrent. That would be the question.

• (1655)

Now the second question. We talked about that famous line, and those of you who know how to read a balance sheet know that an accrual figure is not a cash expense. I ask the hon.

member to say what is the cash expense to the government for the past fiscal year. That is debatable.

What I really want though is the answer to that question about those four members of the third party who are doing the double dipping, as he describes it.

Mr. Williams: Mr. Speaker, it is hard to come up with figures just on the spur of the moment. When we are trying to find our way through $165 billion worth of spending it is difficult sometimes to find exactly where the numbers are. On spending cash, writing cheques, let me see if I can find it.

From the 1993 public accounts we made payments and other charges, annual allowances—and this is out of the ordinary pension plan—of $9.8 million. Out of the other one we paid out $13 million or $14 million. This totals about $23 million, and we as members only contributed 10 per cent of that, about $2.3 million.

To answer his other question, their definition of double dipping is to be paid out of the general revenues of Canada. As far as I am aware, no member of the Reform Party is getting paid out of the general revenues of Canada or is enjoying a patronage appointment by the federal government. Therefore the innuendos he applies to the Reform Party are totally false.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I intend to split my time with the next speaker. I would like to indicate that. It is a pleasure to participate in this debate.

I move:

That the House continue to sit beyond the ordinary time of daily adjournment for the purpose of considering the second reading stage of Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision.

The Acting Speaker (Mr. Kilger): Will those members who object to the motion please rise in their places?

Fewer than 15 members having risen, pursuant to Standing Order 26 the motion is adopted.

(Motion agreed to.)

The Acting Speaker (Mr. Kilger): Just to set matters straight, having been given an indication previously, before the parliamentary secretary moved the motion he gave an indication to the Chair and the House that he was splitting his time. I would interpret that to mean that the member for Durham will have ten minutes for his speech and there will be five minutes for questions and comments. Resuming debate, the hon. member for Durham.

Mr. Silye: Mr. Speaker, on a point order, if extended hours have been requested, to what extent will the hours be extended?

The Acting Speaker (Mr. Kilger): As I understand it, there are no limitations under the motion that was moved and agreed to.

Resuming debate, the hon. member for Durham.

• (1700)

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it gives me great pleasure to speak in the debate on Bill C–85. I do not think any piece of legislation has enraged people in the country more than the concept of MP pensions.

I remember back to my days in private professional practice when we said we should not drive a car our clients could not afford. I think in some ways that is how people regard MP pensions.

The system being revised here today is possibly better than most private pension plans. Possibly one problem we have in the whole issue of debate is we have not properly focused on the whole concept of remuneration of members of Parliament, and MP pensions are one factor.

Unfortunately things often get confused in Ottawa when we look at various aspects of remuneration, even in the public service. The public service has something like 1,400 separate agreements that cover remuneration for public employees.

The point I am trying to make is when we look at pensions we cannot strictly look at the concept of pensions and compare them with private industry. We have to look at the whole concept of remuneration of members of Parliament.

Another aspect is exactly what does the public expect and what kind of qualities and qualifications do members of Parliament need to come to this place? For most people it is not a matter of money. I believe that is true of all my colleagues in the House. In my case I really did not even know how much members of Parliament got paid until I came here. When the first paycheque showed up in my bank account it quickly enlightened me to the fact I was being employed for less than half of what I made in the private sector.

The government commissioned an independent study to review the whole matter of MP pensions and also remuneration of members of Parliament. The study came back basically saying reduce MP pensions to reflect the norms of the private sector. At the same time it talked about changing the entire way we are remunerated in terms of salary.

The reason our salaries are so strange goes back over a long period in our history and there are some aspects that have been picked up over time that probably belong to the past. I suppose it is much like laws on the books in Parliament. We often take a great deal of time to update and modernize them.

That is what is happening with this whole issue. The government clearly has gone far beyond its commitments. I will read from the red book because there seem to be points members opposite have missed entirely. It says Parliament will end double dipping. That is what this legislation does. It also talks about reviewing. I point out and underline it says "review the question of the minimum age at which pensions will begin to be paid". We are doing more than reviewing them. We are changing them, moving them to the age of 55.

We have actually surpassed the red book commitments because we also have talked about the accrual rate at which we can receive pensions. Currently the accrual rate is 5 per cent which means we get a 75 per cent pension after 15 years of service. By reducing from 5 per cent to 4 per cent we have increased the number of years we have to be in the plan to get a 75 per cent pension from 15 to 19.

We actually have a reduction in the total remuneration of members of Parliament. It is a wage roll back. Not only have our salaries been frozen for a number of years but now the government, through this initiative, has actually reduced our salaries, our remuneration, which includes pensions as a part of that.

• (1705)

Clearly this goes way beyond our commitments to the public. We have ended double dipping. The first $5,000 of other income a former member can have from an appointment or whatever is excluded.

Any moneys over that, he will have to basically claw back off his pension. If somebody were to get a $50,000 appointment and were collecting a $12,000 pension, he would not get any pension at all.

There is a very interesting study by Mr. Jeffery. This is very interesting, very allusive for some of the members of the Reform Party who are so quick to possibly give up their options in this plan.

These are members of the former Parliament. I have little clips here. It is very allusive as to how members' remuneration is affected after their life in Parliament. We all think we will be here forever.

The reality is, as many of my colleagues have mentioned, less than 50 per cent of members will ever collect a pension. Here is a quote from a former member: "My advice to those who are neither on leave from a tenured position nor wealthy would be not to seek office until sufficient means to live independently beyond leaving office". These are people who have paid the price: "Life after defeat was quite different. I feel that my time in politics has drastically curtailed my credibility when seeking employment. So much for service to one's country".

Another quotation: "My experience as a member of Parliament was a major hindrance to finding employment". This is from a cabinet minister: "Cabinet experience was no great help, not compared with the loss of income opportunities over 17 years".

Another quote: "My oldest son is about to enter university. I had hoped my retirement allowance would be available to fund his education if necessary. It has been required to keep up the mortgage".

If I had to retire after 22 years in the House on my gold plated pension, the euphemism often given by the Reform Party of $46,000 without additional income from a job, I would be in tough shape.

The record is very clear about what we are talking about. What we are talking about is the remuneration of people who have given up their careers or whatever to come into this great House.

In some ways I see MP pension as a form of danger pay. These are things that do not really make the Toronto *Sun* or for that matter the National Citizens' Coalition.

We talked about the fact that less than 50 per cent of members collected. Another interesting statistic is that of the ones who do collect, the 50 per cent who do collect, less than 30 per cent receive pensions in excess of $50,000.

Why is that? It is because they are unable to attain the six–year vestiture period. My Reform colleagues constantly argue why this is not comparative to the private sector. If the private sector were involved the vestiture period would be two years.

I wonder why some of our Reform colleagues are opting out of this plan. There is another interesting aspect. Right now MPs are required to contribute 11 per cent of their pay into this plan. The new plan will be 9 per cent.

Could it be that the Reformers are not very good savers? What they want to do is spend. In other words, by taking the 9 per cent of these pension contributions they will give themselves more disposable income. Could it be they are not very good financial advisers, not very good at managing their own affairs? They want to spend for today rather than save for tomorrow.

• (1710)

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I am pleased to have the opportunity to address the issue of MP pensions today. We are debating Bill C–85, which should be entitled an act to make minimal changes to the gold plated MP pension scheme.

I have heard Liberal members speaking about their MP pension plan and they do not want to give it up. They sound like spoiled children, whining about how difficult life would be if

they did not have their MP pension plan. I hear the sound of violins out of tune on the other side. It is really pitiful that we have to listen to this screeching, wailing and complaining. Canadians deserve better than what they are getting from their Liberal representatives today.

My colleagues and I in the Reform Party are proud that our constant pressure on the issue has finally led to some government action. It did not want to do anything. Unfortunately the government has failed to propose any meaningful changes and as a result the bill falls well short of what the public expects and what Reformers can accept.

What the government fails to understand is that all of us in the Chamber work for and are paid by the public. We must ensure the compensation package for members of Parliament, including the pension portion, is in line with public sector standards and what Canadians want to pay us. We must respect taxpayer money as if it were our own. I would like to repeat that because I do not think the Liberals understand. They do not think about the concept that we must respect taxpayer money as if it were our own.

We would not spend money foolishly. We would not spend it so extravagantly, especially if we were running a country $550 billion in debt. I do not know why the Liberals cannot understand taxpayer money is very important. It is precious. They worked hard for that money. Why should they see it so extravagantly thrown to the wind?

I know the Prime Minister and many others on the government side have waxed poetic about all the hard work MPs do. It is true that the majority of MPs do work very hard. What the government forgets is most Canadians across the country work very hard also. I do not think any Canadian gets the kind of pension plan MPs receive. None of them receives such a lavish, extravagant remuneration after their retirement or defeat.

Canadians are aware of the long, hard hours members put in and I do not think they actually begrudge the salary of a member of Parliament. After all, there are many professions in Canada where the pay is higher than that of a member of Parliament. Senior teachers, for example, can earn in excess of $65,000 in some jurisdictions, and sometimes school board officials receive upward of $100,000. What angers Canadians are the pensions of MPs. There is no private sector precedent for such a lucrative plan.

It is important to recognize the opinions of Canadians matter when it comes to issues of members' pay and pension. The government has forgotten that it is the Canadian public that it is here to represent. It is the Canadian public that it works for. It is the Canadians who pay all the bills. It is a strange arrangement where the employees design their own pension plan and brag about it even though it outrages Canadians, the people who actually pay the bills. The views of the taxpaying public on this issue should be heard and respected.

The government is only going through the motions of pension reform. It reminds me of lip syncing the old country and western song, "If you've got the money, honey, I've got the time". Government members have years and years of a retirement life with $30,000, $70,000 a year, totalling in some cases several million dollars. Perrin Beatty, recently appointed as the president of the CBC, has an MP pension which will total over $5 million by the time he reaches 75. The MP pension plan attracts selfish opportunists to political life.

I heard a member of the NDP saying members have to be paid properly if we are to attract good quality representatives to the House. I do not believe that. I believe the motives of the members of this place must be higher than fixing their sights on the remuneration and the pension plan they receive. It is a bit revealing when we hear members discuss these issues as to their motives for seeking election and why they are here.

• (1715)

Bill C–85 is a cynical attempt at a public relations job rather than a significant policy change. The Liberals are trying to give the appearance that they are taking action on the issue of gold plated MPs pensions but in fact are not.

The government is making what it sees as the minimum necessary changes in its opinion to the pension plan. It is the least it could do, and certainly it does the very least.

The Liberals have decreased the annual accrual rate of benefits from 5 per cent per year to 4 per cent. The provision makes a minor change in the rate at which pension benefits increase, but it does not change the maximum pension amount members can receive. It slightly increases the time it takes to reach the maximum. There is no substantive change here. There is a slight accounting change that has been dressed up to give the public the impression of reform. It is not the real thing.

It is a lot like the noise the finance minister made about real cuts to overall spending in his budget. Total spending this year will be higher than the total spending last year. Despite this fact the Liberals have their spin doctors and media people spinning a tale of real spending reductions when there has been a spending increase. Canadians know who the real reformers are and they are not on the government benches. The legislation proves it.

I can hear the Minister of Health saying that instead of a very, very generous pension plan it is a very generous pension plan.

It is difficult to find a positive side. The positive side is by far the smaller side on a multi–sided sphere. On the positive side the government has established a minimum age for eligibility although it is set pretty low. I wonder how many private pension plans set a normal retirement at age 55. The normal retirement age is 65.

The old age pension begins to be paid at age 65. If people in the private sector take early retirement they receive lower and lower benefits for each additional year they draw from the plan. This is done with private sector pensions because it is believed they should be actuarially sound. This concept seems to be foreign to a government that thinks it does not matter if the numbers add up at the end of the day, that it is somebody else's money and that it will do with it as it pleases.

The government does not have the foggiest notion of the consequences of lavish spending that has sunk us over $550 billion in debt. It says that we should look after ourselves. It is the selfish baby boomer MPs who say: "Too bad for the rest of you. Good luck to future generations. We don't care if we bankrupt you. It is your tough luck".

The 55 years of age provision is better than what we had before. If I suddenly won the 649 and became a multimillionaire I could walk away from this place, if I were an irresponsible person. I assure the House that I am not. Had I won the election in 1988 when I first ran I would have been here for six years and would have been able to receive the gold plated pension at age 42. The 55 figure is a little better but certainly not what Canadians are asking for.

Again the Liberals have done the very least. They have made minimal changes. The government does not realize, or perhaps it does not care, that if the benefits are too high and retirement age is too low it will have to dip into public money to make up the difference. The Liberals seem to have trouble differentiating between public money and their own. It is no wonder the country is in debt up to its eyeballs. Again the government is going with the minimum necessary to give the impression of change. It does not realize that the public sees through this type of masquerade.

The elimination of double dipping that used to occur through members taking another federal job or patronage appointment is a positive move. I am pleased that in the face of public opinion and constant pressure from Reform benches the government is beginning to move on the issue.

There are many examples of people in patronage appointed positions who are collecting the MP pension. I will name a few. Ed Broadbent has apparently taken a slight reduction in his salary just so he could keep on receiving the MP pension plan. He was not going to be reappointed to his position unless he knuckled under. He would have gladly taken that pension had his term not expired and had he not needed to be reappointed.

I mentioned Perrin Beatty a little earlier. We also know that Mr. David Berger was named an ambassador. He still gets his MP pension. They had to do some wheeling and dealing to make it politically acceptable. He had to state that he would take a lesser salary than he would normally take to compensate for the pension.

It points out to the House that there is a chance for behind the scenes manoeuvring in the setting of salaries. Certainly it is not the type of scenario we want to allow retired members of Parliament to find themselves in. They are very vulnerable to corruption and wheeling and dealing behind the public's back with regard to their salary and total pension benefits.

• (1720)

In some cases the recipients of a cushy patronage plum will announce their new salary is being reduced by the amount of their MP pension. How can the taxpaying public know the high salary these people are paid would not have been different if the appointee did not have a fat pension? The whole system has the potential for abuse. It is all smoke and mirrors with the Liberals. Why do they not simply get into step with the rest of the country and come clean about the details of the appointments and positions?

The pension scheme remains out of line with what other Canadians have available to them. What they would approve for us brings up a very important issue, the issue of making the plan voluntary or having an opting out or opting in provision.

Bill C–85 includes an opting out or opting in provision, however we want to look at it, that is designed solely for the purpose of trying to get some crass political advantage for the government. It does not allow long time members of the House the option of completely leaving the plan. Only members elected within the last six years prior to the 1993 election have the option of refusing to participate in this taxpayer rip–off. That includes those elected for the first time in 1993 and in 1988. My hon. colleague from Beaver River was elected in a byelection in 1989. Incredibly the government wants to make it mandatory for all future members.

If it is good enough for us to have a chance to opt out or opt in now, why not for the class of 1997 or whenever the government screws up the courage to call an election? Why just the one–time opting in or opting out option? What possible reason could the government have for denying future members of the House the freedom to opt out of this gold plated scheme?

The government obviously views membership in the Camber as some sort of caste system or inherited aristocracy. MPs are not royalty. I am getting worked up. I am very serious about the issue. It really bothers me. Members of royalty are specifically excluded from becoming members of Parliament despite Liberal attempts in this place.

Future members of the House should not be forced to inherit a royal pension. Why should we in the 35th Parliament have the privilege of opting out while it is denied to future members? This may be a question of privilege. The government is attempting to create a two–tier pension scheme: one for members with a

conscience and one for those who want to get as much from the trough as they possibly can.

I was listening to my colleague from Calgary Centre. He gave a very good illustration of the confusion around the pension plan. He said that originally we thought we were to have trough light and trough regular. Now he has found out there are trough regular, trough light and trough stout.

The problem with the bill is that some of us want to abstain altogether. Future MPs will not be allowed that option and that is wrong. The legislation needs to be changed to correct a terrible precedent. The government is attempting to create a two–tier pension scheme: one for members with a conscience and one for those who are out for themselves, those who call themselves number one rather than the Canadian taxpayer who is paying the bill.

There is no reason why all future members should not have the choice of opting out of the pension scheme. It is unacceptable that future Reform members, and there will be many, will have to participate in this outrageous pension plan along with future Liberal members, if there are any.

If the government arranges it so that no members can opt out, I suppose Liberal MPs can continue to show sympathy for overburdened taxpayers who complain about MP pensions without having to make any sacrifices themselves. The only way to solve the problem and clear up the mess is to elect a Reform government and create a modest and a respectable pension plan, one of which we as MPs can be proud. We would not have to hang our heads in shame because we contribute to such a plan and, even worse, collect from such an outrageous plan.

The Liberals know that the way the current severance package works for defeated or retiring members could be affected by exercising the opting out provision of the bill. They knew this yet made no provision for those effects of the legislation. They are trying to place many disincentives for opting out in the way of members wishing to do so. It is nothing more than an attempt to punish members for doing the responsible thing and opting out of a system that is unfair and out of line with the expectations of Canadians.

• (1725)

Canadians are well aware of the ratio of public money to members in the contributions to the plan. They know the current pension plan would contribute $4.1 of taxpayers money for every dollar that members contribute. The minor changes in Bill C–85 move this ratio to $3.6 to $1. That is not much improvement when the number should be $1 to $1. The design of the pension plan is a little less scandalous, a little less immoral, if we follow the provisions of Bill C–85.

Canadians are not happy that they contribute over three and a half times as much as members will to the new scheme. The ratio comes nowhere near the approximate $1 to $1 ratio used in the majority of private pension plans. Canadians are not happy with the souped up benefits for MPs. They want to know what justification exists for this imbalance.

Miss Grey: None.

Mr. Hermanson: The member for Beaver River says there are none and I totally agree with her. The government cannot answer the public because there is no justification for such an inequity.

The government should take into account that the days of traditional employment when someone worked for the same company or even in the same profession for their entire working life are over. I have heard the arguments in the House about being a successful business person or a school teacher who decided to make a sacrifice and run for election, about being elected and it ruining careers, about being unable to go back to their teaching positions or into business. I understand, but the solution is not to create a crazy pension plan like the one the Liberals are supporting. The solution is not only to enable MPs but all members of society in various professions to move their pension from one occupation to the next so that when they reach a legitimate retirement age they have an adequate pension in place.

Let us talk about some common sense solutions to our problem. Let us not sit and whine and complain and say that because I made a voluntary decision to get into politics somehow I need to be coddled, babied and given an ultra lavish pension plan.

Members of Parliament are good examples of people who change their professions. Most members have active careers before they are elected to this place and many return to them. Many times becoming a member of Parliament gives us an advantage when we go back into the workforce. It is not all gloom and doom like the Liberals would have us believe.

Even some of the awful Conservatives who did all those terrible things and got kicked out of this place are gainfully employed right now. They are probably making as much or more money than they made when they were in the House. It certainly is not all gloom and doom.

Miss Grey: Perrin Beatty is one of them.

Mr. Hermanson: As the member for Beaver River said, Perrin Beatty certainly seems to be doing all right for himself as are many of his colleagues and many former Liberals. With the quality of Reformers I am sure they will do well when they decide to leave political life.

Before the budget when anti-tax rallies were being held across the country I had the privilege of attending one in Saskatoon. The people in that crowd did not want to see higher taxes. They told us in no uncertain terms to tell the government not to increase taxes in the budget. It did not listen. It brought in higher taxes. The people also said in no uncertain terms that the government had no right to increase taxes as long as it had a gold plated pension plan.

I remember one person who came to the microphone and said: "I know MPs work hard but I work just as hard as they do. I make $20,000 a year and I do not get any pension. Why should they get an immoral pension, one that is so extravagant, just because they get to design their own pensions and I do not?"

It is unfair. We should not be designing extravagant, lavish pension plans for ourselves. We should be considering the people in the real work world who work just as hard as we do and deserve fair treatment. We should be prepared to give them fair treatment.

Bill C-85 fails to deliver an effective pension reform in two ways. It fails to bring MP pensions in line with the private sector. More important, it fails to bring MP pensions in line with what Canadians are willing to provide for members of Parliament. We cannot lose sight of the fact that we work for the Canadian public. If our employers think our pensions are too high then they must be reduced. It is the people's opinion that counts.

• (1730)

For these reasons, unless the bill receives some very significant amendments along the lines of those my colleague from Beaver River mentioned in her speech, I would call on the members of the House to join me in defeating Bill C-85. In fact I would call on them to support the amendment that my colleague put forward.

This bill is so flawed it needs to be sent back to committee. With your indulgence, I would like to move an amendment to the amendment made by the member for Beaver River. I move:

That the motion be further amended by adding the words "and report back to the House no later than June 23, 1995".

The Acting Speaker (Mr. Kilger): The amendment to the amendment is in order.

It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Kamloops—The budget.

It being 5.32 p.m., the House will now proceed to the consideration of Private Members' Business, as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

DIVORCE ACT

The House resumed from March 13 consideration of the motion that Bill C-232, an act to amend the Divorce Act (granting of access to, or custody of, a child to a grandparent) be read the second time and referred to a committee.

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise to speak on this issue as someone who grew up without knowing her grandparents because her grandparents were in another country. I have observed, as my brothers and sisters have had children, the special relationship that has developed between my parents and my nieces.

Bill C-232 can be supported in principle for attempting to address a very distressing situation. The relationship between grandparent and grandchild is something very special. Particularly after their parents' divorce a grandparent can be an important resource to children, someone who can offer care and support and buffer children from the many changes and stresses associated with family breakdown.

Research confirms the importance of the grandparent-grandchild relationship. Arthur Kornhaber, a noted child psychiatrist and researcher has conducted three years of lengthy, in depth, personal interviews with some 300 children and as many grandparents. His conclusion is that: "The bond between grandparents and grandchildren is second in emotional power and influence only to the relationship between child and parent". He has stated that a healthy and loving bond between grandparents and grandchildren is necessary for the emotional health and happiness of all three generations. This bond is a natural birthright for children, realized through an emotional attachment, a legacy bequeathed by their elders that benefits everyone in the family.

• (1735)

Given this very special and valuable role that grandparents play in a child's life, it is very upsetting to hear about cases where children are being denied access to their grandparents because of some very bitter disputes.

It is hoped that the situation is limited to unusual cases where the divorce has been especially bitter. However, it occurs frequently enough to warrant the formation of support groups. Organizations such as the Canadian Grandparents' Rights Association and Grandparents Requesting Access and Dignity help grandparents cope in these situations and do an admirable job.

The reality is there are cases where grandparents who wish to be able to continue to have contact with their grandchildren are being denied this contact and are forced to withdraw from their grandchildren's lives.

It is this situation that Bill C–232 proposes to address by identifying changes to the Divorce Act that could promote grandparent access. The main focus of Bill C–232 is an amendment to subsection 16(3) of the Divorce Act which currently states that a person, other than a spouse, may not make an application for child custody and access without leave of the court.

That means that currently the grandparent–grandchild relationship is accorded the same value as a child's relationship with any other third party. Grandparents must obtain leave of the court to make an application for custody or access to the grandchild.

The bill proposes an amendment that would distinguish the grandparent–grandchild relationship as a distinct type of relationship. It would give grandparents the same standing as parents so they would no longer be required to obtain leave to make such an application. Instead, grandparents would have independent standing to apply to the court for access or custody of their grandchild at the time the grandchild's parents are getting a divorce.

This is an important change to make to the Divorce Act. It would mean that the Divorce Act would formally recognize grandparents' legal rights to have access to their grandchildren.

Another important implication of the proposed amendment is that it would grant grandparents who have strong legitimate interests in their grandchildren greater leverage in their negotiations with the child's parents. This new legal standing would allow a grandparent to challenge a parent who is threatening to withhold or deny access without good cause. Hopefully the threat of a lawsuit would be enough to motivate that parent to resolve the dispute.

For these reasons I rise in support of Bill C–232 and suggest that we should applaud it for attempting to emphasize the beneficial role that grandparents may play with respect to their grandchildren. However, I must say that there are some aspects of the bill as it currently reads which must be reviewed.

First, there is concern that the bill may be over–reaching when it places grandparents on the same footing as parents for custody when the real problem is access. Consideration should be given to treating these two matters differently.

In addition to allowing grandparents to apply for custody and access as of right, the bill proposes an amendment to section 16(5) of the Divorce Act to give grandparents the same rights that this section currently provides to the parent who is granted access, namely the right to make inquiries and to be given information as to the health, education and welfare of the child.

This proposal is problematic because private and confidential information such as this is normally only available to parents. It is not clear that there are valid policy reasons to allow grandparents with access rights to obtain this information, especially since other grandparents, those with grandchildren in intact families, may have no such right.

It is also important to ask why grandparents need this right. It has to be recognized that different grandparents may have different motivations and that there is a potential for this amendment to promote further intergenerational disharmony if grandparents make use of the information they receive to challenge the custodial parent's decisions.

This part of Bill C–232 should be reviewed carefully by the Standing Committee on Justice and Legal Affairs, of which I am a member. The committee in reviewing the bill should be guided by the standard set out in section 16(8) of the Divorce Act which provides that in making any custody or access order the court should only take into consideration the best interests of the child of the marriage.

This is the standard that has come to be accepted both in Canada and internationally as the appropriate standard to apply with respect to matters relating to children. It means that laws directly affecting children should focus on the needs and best interests of the child rather than on the rights of adults.

It is this standard that the Standing Committee on Justice and Legal Affairs should utilize in assessing the other proposals of Bill C–232, such as the proposal to amend section 16(9) and (10) of the Divorce Act to include the word "grandparent" in the wording of these two provisions.

• (1740)

It is important that courts, in assessing whether grandparent access would be in the child's interest, continue to consider the quality of the relationship that has existed in the past between grandparent and grandchild, as well as the amount of prior contacts. Evidence about the prior relationship between the parents and grandparents, especially if it is conflictual, is arguably also very important.

In reviewing Bill C–232, the committee should also consider that while it allows grandparents to apply as of right to the courts for access to the grandchild, it does not address the problem about the high costs of these legal proceedings, costs which may very well be prohibitive to many grandparents and custodial parents.

There is another important point that must be made. It should be recognized that there are limitations to what a court order can

accomplish and what the law can do to enforce it. It would be ideal if a court order awarding grandparent access could ensure that meaningful access could occur without further problems.

Unfortunately this is not the case. The court cannot order people to change their attitudes, their feelings or manners of relating to one another. If the custodial parent continues to oppose access, the reality may very well be that attempts to enforce any access order would only lead to more conflict and perhaps even more litigation with the child caught in the middle. This can be detrimental to the well–being of the child.

It may be that there is a need to attempt to address some of the underlying fundamental problems surrounding the issue of grandparent access. The issue is closely related to other child custody and access issues and perhaps should be addressed in a more comprehensive way.

The committee in reviewing Bill C–232 may want to consider whether legislative reform alone can provide a solution to this very complex problem. Other non–legislative options that have been identified include judicial education, parenting education and improved counselling and mediation services. The committee may want to explore some of these longer term solutions to provide more services and supports to divorcing couples and their families, including the grandparents.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, I rise in the House today to speak on Bill C–232, an act to amend the Divorce Act. The aim of this bill is to relieve grandparents of the obligation to obtain special leave from the courts to apply for a provisional, permanent or amended court order for the custody of the children or access to them.

At the moment, the Divorce Act contains no provision for grandparents' rights. Grandparents wishing to obtain custody of their grandchildren now must first apply to the courts for leave to debate the custody of their grandchildren.

This bill would entitle grandparents to obtain information on the health, education and welfare of the child. It also provides that the amendments to the Divorce Act would be subject to review by a parliamentary committee four years after their coming into force.

Bill C–232 would eliminate the need for grandparents to make this initial application and would enable them to be a party to the dispute.

Parents divorce, but children do not. Today's family is considerably different from yesterday's. The patriarchal family of the past has changed and become mobile and temporary. With divorces, common–law unions and other arrangements, the family tree has been uprooted.

The family of the year 2000 is born of the break–up of couples. The reconstituted family is a collection of members who are not all biologically related. No model exists for this new family. Each member must adjust by finding a way to function within the family unit.

Studies tend to show that children can benefit from family reconstruction, which gives them another chance.

The traditional family, when divorce did not take place, hid a lot of frustrations behind its air of respectability. However, the number of divorces still evokes some bitterness. Solutions have to be found for children to overcome their suffering, and grandparents have a vital role to play following the breakup of the family unit.

• (1745)

As the official opposition critic for seniors organizations, I have a keen interest in this bill, but I feel I must point out some of the shortcomings of this attempt to improve the status of grandparents.

In recent years, grandparents who were denied access to their grandchildren often asked the courts to intervene and grant them visiting rights.

A number of anglophone associations were established, including GROWTH—Grandchildren–Grandparents Right of Wholesomeness Through Heritage, GRAND—Grandparents Requesting Access and Dignity, founded in 1983 in Toronto, and the Canadian Grandparents Rights Association in British Columbia. In French, GRAND becomes GRANDIR, which stands for Grands–parents réclamant accès, nouveau départ incitant retrouvailles. These associations are asking for federal legislation that would give grandparents easier access to their grandchildren.

I think I should point out the excellent work being done by the organization Grands–parents–tendresse in Saint–Jérôme, in the riding of the hon. member for Laurentides, headed by Cécile Lampron, whose purpose is to develop intergenerational relationships by visiting schools, organizing group excursions with the children, helping young mothers after the birth of a child or during convalescence, and by offering services to single seniors.

First of all, this bill is aimed only at the children of couples who are either divorced or about to divorce. The federal government has jurisdiction over divorce proceedings, but Bill C–232 may exceed this authority. Grandparents are not directly involved in the marriage, as is the case with parents and the children born of the marriage.

Parental authority is a provincial matter, under subsection 92(13) of the Constitution Act, 1867. This is clearly an intrusion into an area under provincial jurisdiction.

Unlike Canadian common law, the access rights of grandparents to Quebec children are already provided for explicitly in Quebec's civil code. Section 611, passed in December 1980, says that the parents cannot, without good reason, prevent the

child from having a personal relationship with its grandparents. If the parties cannot agree, the terms and conditions of this relationship will be determined by the courts.

Section 611 of the Civil Code may be invoked at any time before or after the divorce of the parents. In addition, this clause does nothing to define the notion of grandparents in the Divorce Act. We presume that section 579, which states the following, takes precedence: "When adoption is granted, the effects of the preceding filiation cease". The rights of the parents of a father or a mother could be revoked at the same time as those of the biological parents.

In Quebec, section 611 resolves the issue of the grandparents' access to grandchildren and they may submit a petition at any time. Quebec has resolved this problem, but Canada's other provinces have not. Bill C–232 improves the position of grandparents and their grandchildren in other provinces, but only covers the children of married or divorced parents. As a consequence, this bill will change very little about the current laws regarding grandchildren in Quebec.

Therefore, all common law provinces should pass a law like that in effect in Quebec. We believe Quebec's legislation shows the way in this area and should be used as a model.

This bill has another shortcoming: grandparents' access to medical and school records. The Act Respecting Access to Documents Held by Public Bodies and the Protection of Personal Information is a law of Quebec governing a matter of provincial jurisdiction.

• (1750)

Quebec has legislative power over marriages, property and civil rights, marriage contracts, adoption, separation from bed and board, custody, etc.

Consequently, Bill C–232 increases the overlap in family law.

In addition, under subsection 92(13) of the Constitution Act, 1867, parental authority bestowed on the couple is an exclusively provincial jurisdiction. Therefore, the bill also infringes on a provincial jurisdiction.

I mentioned earlier that Bill C–232 tends to protect the rights of grandparents in the other provinces of Canada, but unfortunately, it has shortcomings and the Bloc Quebecois must point out this obvious infringement on a provincial jurisdiction.

Grandparents have an enormous role to play in the lives of their grandchildren during the years following a separation. They are exceptional compensations for the partial absence of a father or a mother. They can bring emotional and other stability to a child's life. Grandparents can often detect problems, but they cannot take part in discussions, because, often, intruding in such a way can only aggravate an already adverse climate.

In closing, the Bloc Quebecois, the official opposition, will put aside the few misgivings it has and will support Bill C–232 which was introduced by my kind colleague for Mission—Coquitlam.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is in the name of my own mother, who was a mother and a grandmother, and in view of the progress being made in the changing family unit nowadays, that I support the spirit of this motion.

[*English*]

The family is a changing unit in 1995. Certainly from my own perspective, I have to pay a special tribute to my mother who prevailed upon me to make sure I got my views on this issue on the record. From the perspective of my daughter, my mother has been an invaluable role model and a very important anchor in a changing world. I understand the difficulty sometimes of legislating familial relationships. Obviously the best interest of the child has to be the guiding principle in any dispute of a familial nature, but the spirit of this legislation is worth supporting.

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, it is with pleasure that I rise to speak on Bill C–232, an act to amend the Divorce Act, sponsored by my colleague from Mission—Coquitlam who is herself a grandparent. I know she has put a lot of time and effort into creating and promoting this piece of legislation. I must commend her.

I would also like to make reference to the gallery and the attendance of a number of interested persons in this particular legislation. I commend them for their attendance.

With reference to the previous speaker's comment on the changing world, I sometimes wonder if we are not today playing a bit of catch up here. Some of the principles or the things we were used to in days gone by just slipped away from us because of various other things that were occurring in our world.

For example, technological developments such as transportation and communication have had a tremendous effect on how we live our lives today. We travel farther. The world is much smaller. On the other hand, we can communicate much quicker with each other. We have E–mail for example. Even in my lifetime, and I do not like to think I am that old, I can remember the first telephone in our neighbourhood.

We look at such an amendment where we are talking about general access and we have the technological equipment. The resources are there for this kind of thing.

• (1755)

Another thing has snuck up on us from the days when a small percentage of people did not have access to grandparents due to distance, death or whatever. It now seems to have turned the other way. We are suddenly aware that this very important aspect of our lives has slipped away from us.

One of the other things that contributes to that is the advances made in health care, not only from the point of view of our attitude toward living a healthier lifestyle but also through medical research with which we can prolong our life. Consequently, we are living longer. The average person's lifespan has gone to 72 years from 25 or 30 years ago when it was six months after one retired at 65.

Some of the things we have seen come out of what has affected our lives are such things as higher divorce rates and family break–ups. The average marriage lasts something like five years. It might be seven, I am not exactly sure on that statistic. A higher divorce rate is a given in today's society. Family break–ups are occurring. It is a two working parents society as well. The standard of living that could be enjoyed on one income in 1960 now requires two.

Those kinds of things have had an effect on us. They have created situations in today's society. We find ourselves trying to come up with some way to get that component back into our life of the family, including the grandparents.

One of the previous speakers got into a legal concept. What I am suggesting here is that we look at the intent of the law more so than the letter of the law. There will be time enough for the letter of the law when it gets into committee. Then we can get our learned people in those areas to address those issues. This House has to say what the intent is. The intent is to get a family structure or have the grandparents included in the family structure.

Another thing in our society today versus 20 or 25 years ago is the advent of new Canadians who do not necessarily have a European background. We hear more and more about the extended family. We are trying to put that into some sort of a parameter as to what that actually means. We also hear of the extended family in our aboriginal groups.

It is time that we looked at these new concepts. If there are some legal barriers in recognizing these in law, then it is our responsibility to see how we can overcome them. The extended family could include the grandparents quite nicely. I would prefer that.

I realize there are very many different ways a divorce situation can turn out. On the other hand, if there are children involved in a situation who are going to go into the social service realm and foster parent situations and there are grandparents sitting right there who have to get a court order to apply to get into that situation, that just does not make logical sense to me.

When we address this point by point, we must look at the bottom line and know that the overall objective is what is best for that child. On average, we can argue that the family and the grandparents in normal situations are what is best for the child. There will always be the isolated cases.

When we get down to looking at it line by line or looking at the letter of the law, that is when we address those issues. What I am trying to say now is that there are four amendments here. One is asking not to have to go to court to make an application to apply for access. That does not mean to say they are going to get it, but when they have made the decision to make an application they have to trot off to court first.

• (1800)

Another amendment we must address is the right to know. As I related earlier, we have all of these wonderful advances such as E–mail and television and we can fly on the Concorde to goodness knows where and how fast. I certainly think that at some point we should be able as the intellectual animal of this planet to come into some sort of situation in which we can recognize what is best for the child. If there is animosity at the time the court is making these kinds of decisions, I still believe there are ways in which what is best for the child can be addressed and that we can use this technology to that end. A year from now the situation might be a little better and people might get over their feelings and start thinking more about what is actually happening to their loved ones on both ends of the age scale.

Another thing that comes into this concept is our roots and our family tree. If we do not keep in touch with each other that will be much more difficult to keep track of. I believe there are a number of people who find that important in their lives.

With respect to geographic living conditions, I am not too familiar with what is happening in divorce rates, but it is my understanding that when access is granted to one of the parents there are usually restrictions placed upon where these people can live. They get a geographic area in which they can live so that the other side can have access. I am suggesting that will not survive long in our society. At some point that will be addressed, and maybe this is a good time to do it. As I have said, communication and transportation are not the problems they once were. I am much more familiar with the geography of British Columbia, and I can remember when it took two and a half days to get from Kimberley to Vancouver, which can now be done in almost nine hours, or ten hours if you are not speeding. Surely to goodness we should be able to look at these kinds of things to resolve these barriers.

I would like to reinforce that it is a given when we look back at situations in our past, when there was the family unit, including brothers, sisters, aunts, uncles, and grandparents, that it was always the grandparents in that family unit who were constant. I

may have lost touch with my brother and his wife for a while, but I never lost touch with my parents.

I encourage this House and all hon. members to unite behind this non–partisan issue and support the bill.

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I rise because I also feel very strongly about this bill. I have the fortune of having grandparents and I have the fortune of having an extended family. Unfortunately, my son never had that luxury. My parents and my in–laws are in Italy. I always felt guilty, because I know what a comfort grandparents can be, both for the family and for the children.

When I went to Italy with my son, who was then five, I realized how much he and his grandfather were alike and how much they missed each other and how much they enjoyed each other.

I believe that we have to always take into consideration the needs the children have. We seem to forget that many times. Since we are adults and we are the ones who have to help children to get what they need, I think we should definitely support this particular piece of legislation and make sure that the children are taken care of and that we allow their grandparents to take care of them whenever possible.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, it is an honour today to speak to this private member's bill. My colleague from Mission—Coquitlam I know has worked very hard over the last few months travelling across the country talking to groups about this legislation. I would like to advise the House that the response out there has been overwhelming in support.

• (1805)

There are many voids in the Divorce Act. For example, at the present time in a divorce case grandparents do have to seek leave of the court to obtain standing to discuss the question of access to their grandchildren. This bill will give grandparents an automatic right to the standing to participate at court.

I am not a grandparent, but I hope to be some day. I think most of us want to experience that joy. Sure, it might make us feel a little older, but these days what does not make us feel older?

As parents and grandparents we want to see that our grandchildren have the best quality of life. There is nothing wrong with this. But the law can divide, and we need to mitigate against that. To me, grandparents have always seemed rather stable. Perhaps it stems from the notion that the older you get, the wiser you become.

I recently read an article in which a federal official was quoted as saying: "In the great majority of cases, it would be in the best interests of children to see their grandparents. They can be a real stabilizing force".

I understand the Minister of Justice is not quite in support of this legislation. Why? Apparently he feels that if Bill C–232 is passed the courts would be flooded with litigation, causing a tremendous backlog. I do not think so.

I spent enough time working within the British Columbia family and divorce courts to know that including grandparents in contested divorce cases will only improve matters, not make them worse. As the Divorce Act currently states in section 17(2), "a person other than a spouse may not make an application under paragraph 1(b) without leave of the court".

The minister may say that if we allow grandparents a say at the original hearing it will increase litigation. My experience says otherwise. Extended families must be encouraged to take more responsibility for their own and come to the rescue or backstop the social alternatives considered in child custody and access disputes.

In clause 3(1) it states: "On the expiration of four years after the coming into force of this act, the provisions contained herein shall be referred to such committee of the House of Commons or of the Senate or of the Houses of Parliament as may be designated or established by Parliament for that purpose".

If that measure is adopted, Parliament will conduct a comprehensive review of these provisions in four years. The Minister of Justice is afraid of guarantees like this. He does not put guaranteed reviews into his bills because he is perhaps afraid that down the road legislation may be changed because it is really flawed. Why does the minister not put such a clause in Bill C–68, for instance? Maybe he fears the results.

Certainly family law needs fundamental review. I am not encouraged that the justice minister will produce any substantive changes soon. But this bill is not only about grandparents, it is also about grandchildren. It is vitally important that we have legal protection for them.

We recognize that all grandparents are beneficial for their grandchildren. There are times when they should be denied direct access or should not be involved, but that should be the exception by an order. This is why we have courts and judges. They are the decision makers in those contested cases. All relevant voices must be heard in difficult cases, and this bill facilitates that help. The best interests of the child is still the operative principle.

All that is being done here is awarding the grandparent the right to have a voice. That is essentially all we are asking to have changed.

This morning I received a copy of the speech the Liberal member for South Shore was to give today but could not because of previous commitments. The member clearly is in favour of this legislation. The member for Nepean is another member who I know supports this legislation. Therefore, I would encourage members of the Liberal Party to consult with their colleagues on this bill and find out what their feelings are.

Certainly members of the Reform Party are behind this legislation. We believe that it is needed as one small step in a larger effort to update and simplify family law.

Reading some of the comments the member for Nepean has made on this bill, I understand that there are some parts she has difficulty with, but this is understandable. This is why the House of Commons has standing committees: to deal with legislation, to bring in the experts and go over it with a fine–tooth comb.

I have been a divorce mediator. As an officer of the court in the past, I have investigated circumstances and made recommendations and written recommendations about child custody and access. It is my considered opinion from within the system that in general family law is in somewhat of a disarray. But clarifying the role for grandparents in hotly contested cases is a help, not a hindrance. A strong legal climate as a backdrop encourages mediated settlements and alternative solutions.

Indeed, the court is a very blunt instrument to settle family matters, but clarity and resolve in the law can only help children. Sometimes these matters deteriorate into a swirl of struggles and manoeuvres and the real needs of children and their wishes are forgotten.

• (1810)

This bill deserves to be sent to the standing committee. It would represent a very positive step toward the protection and development of the child who is caught up in these unfortunate circumstances.

Therefore, on behalf of many grandparents rights groups across the country, including the British Columbia based Canadian Grandparents Rights Association, I want to fully endorse this bill and commend it to this House.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I want to take a few minutes and say a few words on this bill. In particular, I think I would be remiss if I did not take the time of the House to remind all of us not only of the good work the hon. member proposing the bill has done, but equally the work of the hon. member for Nepean.

I hope, Mr. Speaker, you will allow me to say this in spite of the fact that it is not customary to our rules, but the member for Nepean is unable to be here because of illness. Because of that, I hope, Mr. Speaker, you will be lenient with the application of that rule.

The hon. member for Nepean is ill. She had very extensive surgery some time back and of course cannot participate in this debate today. However, I am sure all members will know of the work she has done, as well as the hon. member proposing the bill today. If the member for Nepean were here, she would no doubt want to be participating in this debate and giving it her full support as well.

On behalf of the hon. member for Nepean, I thought I would take a moment in the House to indicate what I believe to be her support and the support of several other hon. members who have worked on this initiative as well.

[*Translation*]

As we all know, the hon. member for Nepean had tabled a bill similar to the one now before the House several years ago during the previous Parliament. She put forward an analogous bill during this Parliament. Being absent from the House for health reasons, she is unable to address this House today. I know that the House will vote on this motion in a few minutes.

I am unable to vote by proxy on her behalf because that is not the practice in this House. However, if such were the case, I am sure she would have asked me to vote in favour of this bill. The least I can do is to mention all the work she has done on this bill, along with the hon. member who proposed the bill today. I also wish to commend the hon. member for Nepean for her work on this issue, not only in this Parliament but also in the past several years.

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, it is a pleasure to rise today to make a few comments on Bill C–232 tabled by our hon. colleague, the hon. member for Mission—Coquitlam.

Since the hon. member for Glengarry—Prescott—Russell spoke about the health of the hon. member for Nepean, allow me to point out that we think about her often, especially when we are dealing with issues such as this one which affect the most vulnerable in our society.

The bill before us today is no magic solution. I believe, however, that it is a step in the right direction. Indeed, Quebec, which is concerned about its areas of jurisdiction, has always looked with a very critical eye at amendments to the Divorce Act and to family law, because it knows that we must still live in a federal system for a certain time and tries to balance federal and provincial jurisdictions.

Are we dealing with a filiation problem or a divorce problem? What is the situation? We could debate this for a long time.

• (1815)

In any case, we have before us a provision which would allow grandparents to avoid the additional step required of any third party in divorce proceedings. A neighbour is not treated any differently from a child's grandparent in being granted access or custody rights in divorce proceedings.

That obstacle would be eliminated. In the eyes of the law, grandparents would, for all practical purposes, be reintegrated into the slightly extended family unit. So this provision may be a step forward.

As I said at the outset, we should not see this amendment to the 1985 Divorce Act as a magic solution. A similar provision, which covers all children, whether they were born to married couples or common law partners, has been in effect in Quebec since 1981. Having practised family law since 1981, I can tell you that grandparents are not rushing to make applications to the courts. Since 1981, few grandparents have applied for access in Quebec.

Today, grandparents applying to the courts in Quebec do so only when the conflict is quite serious. Grandparents, the grandfather or grandmother—who should have reached a point in their lives when they could start relaxing a little—often must go against their wishes and say: "Well, I must retain the services of a lawyer, I am going to take my own son or my own daughter, or my son– or daughter–in–law, to court and I am going to take this to the limit, with all of the emotions that go with it". Not many grandparents insist on an all–out battle: their lives already have been one, they have had their children, raised them and worked all of their lives. So, we must not think that this clause will be the magic solution.

However, the fact that such a disposition is even included in the bill could make many divorce lawyers strongly advise their clients to do the following: "Give the grandparents the right to visit their grandchildren. Otherwise, they could take you to court in the future to fight for it".

This kind of provision could prevent a great number of legal disputes and is better than using court cases to settle them.

I also think that we could use our vote on a bill like this one to send a very clear signal to the courts which must interpret these laws, and that is to listen very carefully to the petitions of grandparents before declining their requests for the right to pick up their grandchildren to take them out from noon to four for a pop and a Big Mac and to bring them to a park to play before being forced to take them back home. The courts should perhaps also give them a little more time together, because it takes time to bond. In the era of broken families, we are all aware of how difficult it is to rebuild the ties between our children and their parents and grandparents.

Thus, all of the aspects that have been raised during this debate show that we have the opportunity to help remedy a rampant and very serious social ill. And, although this bill is not perfect, I think it should be passed at second reading and sent for consideration to the Standing Committee on Justice and Legal Affairs.

[*English*]

The Acting Speaker (Mr. Kilger): Resuming debate. Colleagues, the Chair was given an indication previously that if an opportunity arose the mover of the motion, the member for Mission—Coquitlam, asked that she be able to summarize for not more than two minutes, understanding that no one else would speak afterward. She would close the debate. Is that agreed?

Some hon. members: Agreed.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, it gives me great pleasure to close the third hour of debate on the bill. I want to personally thank all those members who took part in the debate.

As many members know, this bill has a long history. In the last Parliament my good friend from Ottawa West championed the cause of grandparents. She presented petitions containing over 8,000 names requesting that the Divorce Act be amended to give grandparents status before the courts in the case of divorce of their married children along with status to ensure that the presiding judge would take into consideration the rights of grandparents to grandchildren.

My good friend from Nepean, who could not be with us tonight, has worked very hard on this. I have been talking with her on many occasions on this bill, which both of us had before the House.

More important, this bill addresses the cause of many grandchildren across the country who seek access to their grandparents. I have had the great privilege in the past few months to meet and speak to literally hundreds of grandparents across the country. They tell me that what they want is the opportunity to be heard in the courts.

There have been many concerns expressed about the part of the bill that gives grandparents the right to make inquiries about the child, inquiries the parents may not have the right to make. This can be amended in committee.

It is my belief that the bill will reduce litigation, not increase it. All outstanding issues will be dealt with at the same time under the same judge.

Again, I would like to thank everyone present. I urge all members to vote in favour of sending this bill to committee for further study.

The Acting Speaker (Mr. Kilger): It being 6.20 p.m., pursuant to Standing Order 93, the time provided for debate has expired. Accordingly, the question is as follows. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to, bill read the second time and referred to a committee.)

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee; and of the amendment; and of the amendment to the amendment.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, it is my delight to rise to speak to Bill C–85. I speak in opposition to this bill, an act to amend the Members of Parliament Retiring Allowances Act.

I found it very interesting today to listen to the debate and to some of the rhetoric that has surrounded it. As we address the debate from this side of the House, we certainly are representing the mood and the voice of Canadians in opposing a pension plan which is far above and beyond anything any other Canadian outside of this place could enjoy or ever think about.

The Reform Party bases its decision on the principles put down within the party from its inception. My opposition to this bill is based on certain of these principles that the Reform Party holds. Let me remind members of two of those.

Principle 17 of the party states: "We believe in public service, that governments, civil servants, politicians and political parties exist to serve the people and that they should demonstrate this service and commitment at all times".

Principle 18 states: "We believe that public money should be regarded by government as 'funds held in trust' and that government should practise fiscal responsibility to balance expenditures and revenues".

Both of these principles deal directly with the issue at hand today. It is from these principles that this party, since its inception, developed a policy on MP pensions.

The Reform Party policy on MP pensions states that it opposes the current pension schemes for members of Parliament. We would end full indexation of these pensions. We would postpone eligibility for benefits until at least age 60 with eligibility further postponed by the amount of time in which the person has already been paid prior to age 60. We would subject the MP pension to a tax back according to a formula identical to that of the old age security.

Compare our policy with the vague and general policy I have heard quoted here today of which the Liberals seem proud which is outlined in their red book: "The pension regime of members of Parliament has been the focus of considerable controversy. It is now the subject of an independent review which Liberals support. We believe that reform is necessary".

• (1825)

It is of some small comfort to know the Liberals have finally and only seemingly recently realized the MP pension scheme is an affront to Canadians. I have heard it and I am sure they have heard it. It has taken a while to sink in though. It is also interesting to note the Liberal policy uses the word reform. I will quote again: "We believe reform is necessary".

From the vague Liberal policy, which often happens with vague policies, Bill C–85 has flowed, a bill that I believe is totally unacceptable.

I am sure everyone has heard that 52 Reform MPs will be opting out. My Reform colleagues have come here from ordinary communities, homes with families. We have mortgages too. Like our colleagues on the other side, we want security for our homes. We want security for our families, for ourselves and our loved ones, just like every other Canadian. However, we have come to this place to show leadership in difficult times. We were sent here to show leadership in difficult times. We as a party cannot in good conscience claim to lead by example by participating in a plan such as has been shown here.

Let me explain a few points on how this diverts directly from what ordinary Canadians might experience. First, this bill raises the age of eligibility to age 55. It raises it to age 55. But what about the age of 55? This is totally unacceptable. Ordinary Canadians only receive their full pension benefits, their CPP and old age security at age 65. Notice there is a difference of 10 years. What is 10 years? Ten years is a long time.

Why does the government still persist in maintaining this discrepancy? Fairness calls for members of Parliament to be eligible at the same age as the people they purport to represent. After all, the entire concept behind our parliamentary system is that all of us in this House represent the common people. That is why it is called the House of Commons. Have they forgotten this on that side of this House?

A second concern is that under Bill C–85 full indexation of the MP pension to the level of inflation remains from the date that an MP retires. This again is an affront to the average Canadian whose pension income is not indexed to inflation. It is another example of how privileged members of Parliament have been and will continue to be under this government's proposed "reform" of the pension scheme.

I also find it interesting that once again this bill shows a duplicity in high sounding statistics. We are told benefits will now accumulate at a rate that will drop by 1 per cent. An accrual rate of 4 per cent instead of 5 per cent is still above the legal limit of what any other Canadian enjoys. It has been accommodated by book work, or by putting it into two pots or whatever.

The fact remains it is something Canadians legally cannot enjoy otherwise.

At the same time as this goes down by 1 per cent, the amount the MPs pay into the plan decreases by 2 per cent. Perhaps I could throw in the concept of one for you and two for me and if we do it quickly enough maybe no one will notice. It is a sort of shell game. It is no wonder the Canadians I hear have given up faith in this place. They have a right to be cynical if government plays games with the numbers and with the things they represent.

The government also claims that significant savings will result from these measures. It is true that now the taxpayers' contribution will be at a ratio of approximately 3.5 to 1 compared to the members' contribution, down from what we considered to be seven to one before. That was obscene.

It is also true that most of this change resulted from the actuarial realities of a lower rate simply because of the large number of new members in this place. That is, this ratio even with the old plan would have been approximately four to one had no changes at all been made to this pension plan because of the difference in the membership in this place.

• (1830)

Therefore little has changed in spite of the government's rhetoric and platitudes on this issue. The bill it put forward is smoke and mirrors. In fact little has changed in this place in spite of the government's rhetoric and platitudes on many things.

In my riding in the greater Vancouver region there is a significant and expanding portion of the population that is retired and receiving pension income. How can the government and the President of the Treasury Board who proposes this bill justify keeping the full indexation of MP pensions that those people, those families, those individuals in my area do not enjoy? How can the government and the President of the Treasury Board justify not making the age of pension eligibility consistent with what average Canadians can expect and what they experience?

This bill represents the gulf between what Canadians expect and what the government delivers. Should the rules be different for those that lead than for those whom they serve?

Our party brought this issue to the fore. As a result the government has given the House and the Canadian people a mere token. The government has failed once again to bridge that gulf, and the gulf between it and the people of Canada remains even after the rhetoric of this bill.

On page 11 of the red book it states that Canadians have to see themselves as belonging to a society of reciprocal obligations in which each of us is responsible for the well–being of the other. Canadians know this intuitively. That is mighty sounding but I would like to take that quote within the context of this MP pension plan and compare it to the 45,000 civil servants that now are facing being laid off from their place of work.

I take that quote within the context, and take the obscene pension plan that we still see in place and compare it with government cutbacks in the funding of medicare to the provinces. I take that quote within the context of the MP pension plans and compare it with struggling Canadian families faced with outrageous tax burdens, many of whom therefore are not even able themselves to put money toward an RRSP at the end of the year.

Another concern I have with the bill is that it has been thoroughly politicized. Initially the President of the Treasury Board was to have introduced the bill in February before the government tabled its budget. It is now May 4. Four months have gone by. What delayed its introduction? The President of the Treasury Board had to ensure that all the various interests within the cabinet and caucus were represented and that those interests were placated.

I ask the President of the Treasury Board, whose interests is he representing? Is he representing the interests of his cabinet and caucus colleagues or is he, as he should, representing the interests of the Canadian people who have been loudly demanding genuine reform to the MP pension scheme for a long time?

Politics and rhetoric are an integral part of the government's approach. Good schemes and fair proposals have been put forward by outside sources and even by some government members. These have been rejected and replaced by rhetoric which is answered at every turn by comments about pay scales and double dipping.

When challenged on the continuing arrogance of the new pension plan, why does the government insist on talking about pay scales? If MPs' salaries are not acceptable, then change them. Do not use them as an excuse for the pension plan. Do not divert the issue from the scandalous pension scheme that continues to exist.

What of the issue of double dipping? What is the real issue here? Once again the government tries to divert attention in other directions. The issue that concerns Canadians is patronage. The issue is choosing political friends to fill positions, letting them feed from the public trough and the attitude of gross arrogance toward the taxpayer in doing so.

• (1835)

I will only take the time to briefly recall for Canadians some of the very recent and ongoing issues that relate to this, like the Pearson airport review, the Lobbyists Registration Act, the expensive and self–serving byelections made necessary by Senate and other appointments, the Power Corporation contro-

versy that exists today and even our elusive and unaccountable ethics counsellor. The list goes on and on.

The real issue here is special favours, concessions and decisions made by the government that fly in the face of the trust of Canadians and the trust that they expect in their parliamentary system. What do we get in terms of pension reform? What is significant in their version of the end of double dipping?

It only means that the obscene amounts of publicly funded pension dollars grow behind the scenes for those lucky recipients of government appointments. I would like to say that an abuse of the public trust is an abuse no matter which way you cut it.

With the help of some professionals within the insurance industry, actually the Mutual Life branch in Surrey, I have received some numbers for normal pension expectations. I related it to our longest standing Reform MP, the member for Beaver River, who would in the old plan receive $1.8 million in pension at age 75.

With this bill and the changes that have been introduced, the government comes to the Canadian people and boldly says that this is a fair plan. The numbers indicate that our qualifying member would have received, had she chosen not to opt out, mostly at the expense of the Canadian taxpayer, a whopping $1.2 million still. The pension is reduced from $1.8 to $1.2 million.

That member plus the rest of the Reformers have chosen to opt out. I would like briefly to put forward the cost she will pay to do this very thing.

It is of note that Canadians should be aware of that difference. They should know what the difference is between what normal Canadians might have to do in putting aside their own pension and what it is that this place considers fair, equitable and can receive without blushing at the fact that they will take this without an apology to the Canadian people.

It is a statement of the integrity of our member that she is prepared to opt out. If that member contributes her portion of the pension allotment into her own RRSP plan instead of this gold plated pension plan of the government, she would receive a pension at age 60. I put it at age 60. It is not like age 55. It is not the freedom 55 that is proposed by the government. At age 60, like some other Canadians, or perhaps 65, that pension would be less than $15,000 a year. Therefore her total payment if taken to age 75 would be approximately one–quarter of a million dollars. It is something like $228,000.

In trying to put aside her own pension scheme, she will come out with a one–quarter million dollar payment as opposed to the revised government plan which would give her one and a quarter million dollars. Making this decision will cost our member approximately $1 million. Do members think she is doing that easily? Do members think she is doing that on a whim? The very fact that we would take this position shows how strongly we feel. We in turn mirror how Canadians feel on this issue.

Leadership must start in this place or else the future of the country is in very great danger. Our party wants a fair plan. Our party wants a plan that is comparable to the private sector. Our party also wants to provide security for our families and for Canadian families. The plan must start here.

• (1840)

Some of the details of the plan are these. All members who have less than six years of experience as of October 25, 1993 have the right to opt out of the plan. As we have said, it will not be and it is not an easy decision for the class of '88 in this place. However, on the basis of principle, we challenge the class of '88 or later members on the Liberal side to do what is right and just for the Canadian people. If you go to your constituents and ask them, I know the answer—

The Acting Speaker (Mr. Kilger): I wish to remind the House that all interventions must be made through the Chair and not directly across the floor, using the word "you this" or "you that" but having everything through the Speaker.

Mrs. Hayes: Mr. Speaker, if they go to their constituents they will certainly hear what I have heard, that the people of Canada are sick to death of the abuse of their tax dollars. They need leadership which responds to what they have to go through these days.

An hon. member: It is not so in St. Thomas.

Mrs. Hayes: I would be very surprised if that is the case.

For those who have more than six years of experience, they will continue to receive this gold plated pension for that period under the old regime. We have members of the front bench and the back bench on this side and on the other side who have to be accountable to the people they represent.

I will conclude with some statements on the challenges that we are facing. Canada is facing challenges like never before. Those challenges are in the areas of finance, socially and internationally. The challenges we have these days are extreme, unique and great.

This government and this place needs to walk with Canadians hand in hand. First it must connect with the reality that Canadians face day to day. The gulf between this place and Canadian people has widened vastly in the last 20 years.

For the government to try to cross that distance with a bridge that goes only a fraction of the way is no solution at all. It does nothing to reconcile the distance. Actually it puts the government at a very great risk. If the bridge between this place and the

Canadian people is not built in its entirety, the chasm between the two will swallow those who simply pretend to cross it.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise to address the subamendment to Bill C–85 which requests that the government report back by June 23 with some improvements to the bill.

I would like to do two things: cover an area that is in the Liberal red book on pensions and talk a little about what is happening here tonight.

In the red book at page 92, the Liberal government says that the pension regime of members of Parliament has been the focus of considerable controversy. That is an understatement. It is now the subject of an independent review which the Liberals support. They believe that reform is necessary. We agree. "Whatever the results of the independent review, a Liberal government will reform the pension plan of members of Parliament to end double dipping".

This is the issue I want to have clarified. I hope when they report back by June 23 it is clarified to the degree that all these accusations from across the floor about double dipping and which members are double dipping will cease and desist.

• (1845)

Today the President of the Treasury Board explained what double dipping was. He said that MPs, people who have been in the House, should not be able to leave this office and receive a pension from the federal government if they accept a new full time paying job from the federal government. In addition, they will review the question of the minimum age at which pensions will begin to be paid.

The government introduced a minimum age of 55, which should be 65. On the issue of double dipping I would like to point out members on the other side like to accuse a certain member on this side, the member for Lethbridge, of double dipping. The member for Lethbridge is elected to this position, not appointed to this position, as former MPs are like Joe Clark, who was appointed to head up some agency is getting an MP pension plus a salary for heading up that agency, a position to which he was not elected.

There is a big difference. Double dipping means you are appointed to an agency or a board and still receive an MP's pension. That will cease and desist. I commend the government for that.

Some hon. members: Hear, hear.

Mr. Silye: I will applaud once the other side understands what double dipping is.

The thing I would like to point out is the Reform Party's criticism of the MP pension. It is three tier, trough regular for all the old MPs, trough light for all the rookies who are too weak and lack the fortitude to stand up to the veterans, and the trough stout, all the extra perks and privileges this pension provides to those cabinet ministers where there is no cap on what they contribute on their extra salary.

This three tier pension plan is unacceptable to the Canadian public we believe simply because it sets a double standard, one for politicians, MPs and senators, and one for the private sector. The reason it is so high is they say the salary is low. I have heard today about the sacrifice of the family, the children and the grandchildren and it is something they build toward. I do not deny those emotional arguments.

On the same emotional basis why not come clean with the Canadian public and simply state the compensation package should be addressed? We should not have three or four different sets of rules. Let us clean it up. Let us pay politicians what we believe they are worth or what they deserve.

Mr. Knutson: Give us a number.

Mr. Silye: Twelve thousand dollars a month and then look after your own pension plan. This is my point of view.

The Acting Speaker (Mr. Kilger): Order. I am again trying to maintain the best parliamentary debate possible. I encourage members to address themselves through the chair. In the event that we get to question and comments they will have an opportunity to debate the last intervention.

Mr. Silye: Mr. Speaker, I appreciate those comments. You remind me of my football coach who said that if you have rabbit ears you will never be a success in this business. I believe that should apply in the House as well.

As of today I will no longer have rabbit ears. I will only focus my comments to you and through you to the other side and to the public.

The Acting Speaker (Mr. Kilger): I cannot pass it up. Maybe it is the hour. I know all of us make promises. I know we do our best, our darndest, to meet each and every one of those.

Mr. Silye: Thank you, coach—I mean, Mr. Speaker.

I want to explain to voters what is happening. The Reform Party wants a proper pension plan commensurate with the private sector, compensation for MPs at a level that the sacrifice is compensated for. The salaries are too low. The pensions are far too great. We should have a balance between the two. That is what we are recommending.

We are trying to debate this fully. We want to see full disclosure on all the items in this pension plan so the Canadian public understands it.

• (1850)

The government today introduced a motion to extend the hours of debate. It wants us to use up all our speakers so it can rush this through to committee so the Canadian public does not

get an opportunity to see what is in it, to understand the full message about the pension plan.

I would not be surprised if in the future as this bill works its way through the system, the Liberals use time allocation on this bill. I will predict the Liberals will use time allocation on Bill C–85, the pension plan bill. That is totally unworthy of government members who pride themselves on parliamentary reform, integrity and restoring integrity to the government like they said they would. It is the lowest of low tricks they can do in a democracy when they are too afraid to let debate on a sensitive issue take its normal, full and natural course.

This is what is happening tonight. We have tried to not lose the opportunity to allow our members to speak to this bill, to point out why they appreciate the opportunity to opt out, why they like the fact they can lead by example and perhaps through this mechanism restore some integrity to this whole fiasco of the gold plated MP pension plan.

We would appreciate if the government would allow proper debate to continue. We would appreciate if the government would stop playing these games with extended hours and if we could go ahead and live our normal day and work it out properly. There is a lot of time if it would follow the normal procedure.

What is the rush? If you had a good bill, Mr. Speaker, would you not be proud to present it before the Canadian public for as long and as often as you could, to get the credit for it if you could? Would you not do that, Mr. Speaker? Would you not be proud and hold your head up high to be able to show the people of Canada what a great pension plan you had introduced? I know I would.

If the Liberals want to rush it through, want to get it through committee, do not want to have the proper amount of time on it and introduce time allocation, that will be the proof they are embarrassed by the little they have done on it. They are embarrassed by how weak their legislation is and that they have not totally and fully used the benefit of all the arguments of all the members of the House.

Therefore I will conclude my comments on the subamendment to Bill C–85.

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, members on this side of the House are very much used to working 7 a.m. to 11 p.m., seven days a week if necessary. If the member has a problem with working evenings we can appreciate that, but that is not the government's way of doing things. The way on this side of the House is that we work hard, we continue to work hard from 7 a.m. to 11 p.m., seven days a week on behalf of our constituents.

When we are not in the House we are in our offices or in our constituencies doing constituency work on behalf of our constituents. I challenge the member to indicate what the problem is working here this evening for whatever time it takes. We are listening to the comments being made from the other side of the House, as ridiculous as some may be. We are open to listen to them. We are prepared to work. Are they not prepared to work whatever hours it may take? We will be here.

Mr. Silye: Mr. Speaker, I will accept that comment as the cheap shot that it is. We are not at all afraid to work late hours. We have done so often. I will also predict we will be the only ones putting up speakers. The Liberals want us to exhaust all of our speakers. They will not have any speaker on this. They will not have a member rise and speak for 20 minutes on the MP pension. They will not have a member rise and speak on the MP pension tonight for 10 minutes. They are here to exhaust our speakers. They are playing a game.

When the member said he works hard for his constituency, every member of the House works hard for their constituency regardless of their political view point, regardless of where they stand on an issue. I do not think they work hard; they work long. We put in a lot of hours. The people who do the hard work are those who do the research, who dig out the facts, who have to get our messages out through communications.

We are the spokespersons. We have to put in long hours. The cheap shots notwithstanding, the debate on the MP pension plan should be focused on how we can make it better. That is what an opposition party is here for. We are trying to be constructive. We are trying to point out the flaws. We are trying to show where it is weak. They do not have to listen if they do not want to. They do not have to make any changes if they do not want to. It is obvious they do not. However, we are happy to opt out. We are proud to opt out because we know it is the right thing. If they do not opt out they will get voted out.

• (1855)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member seems to be suggesting that sitting late is somehow unfair.

Mr. Abbott: Unnecessary.

Mr. Milliken: The hon. member says it is unnecessary. We have made very little progress this week on government legislation. We expected to get two or three bills done yesterday afternoon but we did not get any.

Tuesday was an opposition day. On Monday we expected to get two bills. We got one motion to a vote which, as I recall, was on an amendment. The motion to set up a special joint committee to study ethics was opposed particularly by the Reform Party. It has been stalled and is not happening now. We have a tremendous number of bills to deal with. The government is anxious to move on with its legislative agenda.

Because we have had very good co–operation until the last few weeks we did not feel it necessary to sit late very often. Hon. members will note we did not. However, now that we have an extremely heavy agenda, dozens of bills waiting to be dealt with, it seemed only reasonable that we allow members to express their views on a bill to which we recognize there is significant opposition from Reform Party members who for various reasons do not like this bill. Some of us have views on what those reasons are but I will not go into that on a comment.

Mr. Abbott: Why not?

Mr. Milliken: I would not want to bore the House or impugn motives to members as they have done in respect of some of the members on this side of the House in the debate.

However, it is fair that we give members every opportunity to express their views. One of the things we do not like doing is cutting off debate. Often, as the hon. member knows, when we have used time allocation in the past we have offered to sit late to avoid having to use time allocation so members could get an opportunity to express their views. That is exactly what we are doing tonight.

I want to ensure that all members who want to express their opinion on this bill are given a good opportunity to do so. Sitting late tonight gives all members that opportunity. They may have to leave their office or skip the movie they were going to go to, but most of us are here until 11 o'clock at night anyway working, so it is no problem and we are happy to stay and listen to hon. members.

Mr. Silye: Mr. Speaker, the issue is not sitting late or working late. The issue is giving proper time to a proper audience. Debate is progress. Being heard is progress. Passing bills is not necessarily progress. All the bills the government has introduced do not have all the answers or all the solutions, notwithstanding the Liberals may think they do and notwithstanding that all the years they were in opposition they now feel they have a licence to go ahead with any legislation they wish to. Therefore, they really do not like to have input from opposition members. That is what democracy is all about.

If in this bill we have the opportunity to point out those elements we feel will make the bill better, which is by making it closer as much as we can to what is available in the private sector, in a way we are hurting ourselves because if they did that they more than likely will get voted back in at the next election. I am sort of in a conflict here. I do not know if I should be giving them this advice.

Nevertheless, I do so on behalf of Canadians who work hard. Politicians are not a better class of people. They are not better than the people who voted them in. They are not a cut above the rest. Why we have this double standard in so many areas of this MP pension plan, why we have double standards in so many other areas like the travel allowance for MPs, 37 cents instead of 31 cents, which is allowable in the private sector, is what makes the public suspect of the motives of politicians.

The government was elected on a promise in the red book that it would restore integrity to politicians. Instead of doing that, they just give lip service and use all the tricks of the standing orders at their disposal to push bills through without proper debate. They want to do it at times when certain members are not here who would like to speak to it.

• (1900)

All the things they went through when they were in opposition they are trying to take advantage of on a Thursday evening when those key people who would like to speak to this are not available. This is what I do not like. I feel that it is totally uncalled for.

There were a lot of emotional comments made today, but the main issue was missed. That is, the government is not listening to the people. It is not listening to the taxpayers, who feel that the pension plan is too generous. The taxpayer is not saying that the salary is too high. They are not asking us to take a salary cut. They are saying make what government and politicians do equal to what is in the private sector.

Yes, we have an important job now. And yes, the Canadian public expects us to lead. But they also expect us to lead by example. If there is a double standard and we treat ourselves better than the public sector can treat itself, is that setting a good example? Is that what government members will be proud of when they go back to their constituencies, that they fought for a pension plan that is better than those of their constituents? Is that what they want to do?

I for one do not want do that. That is why I stand before government members in debate to point out that our party would like to have them listen to what voters are saying. But the government is not listening. This is an opportunity. It might be the last opportunity if they keep forcing these tricks on the House.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I enter the debate with some reluctance. However, I must say that the whip or the caucus co–ordinator, or whatever it is one is supposed to call the person who has that job in the Reform Party, has just said I am supposed to call the person the hon. member. The hon. member talks about cheap shots after standing for 20 minutes in the House calling the government everything under the sun and impugning the motives of the government.

One of the last things the whip of the Reform Party said tonight was that the government was using a procedural trick. Who introduced today a dilatory motion, the purpose of which is to not read the bill?

Mr. Milliken: The Reform Party.

Mr. Boudria: Yes, the Reform Party, as my hon. colleague said.

So if moving procedural tricks is the wrong thing to do, I have to ask why the whip of the Reform Party made these disparaging remarks against the member for Beaver River.

Mr. Milliken: It is the pot calling the kettle black.

Mr. Boudria: It is the pot calling the kettle black. That is exactly what it is.

I think that what has been said here has not been thoroughly researched. But we all know, of course, that Reform Party research is an oxymoron. One can never be equivalent to the other. They are diametrically opposed.

We have heard again from the same member that we should be leading by example. Now, I ask myself the following question. Is this the same political party that is asking us to lead by example when the leader of that party had a limousine provided to him by the government and he said he did not want the limousine, then reconsidered the position? He ordered the limousine and had the staff of public works, or whoever does these things, wax the car and bring it here. It took a day or two of work to get it all prepared. Then he did a giant publicity stunt with the car, which had already been sent back. He made a presentation of giving the keys back and put a "for sale" sign in the window of the car. It probably cost thousands of dollars at the expense of the government to orchestrate that scene.

Now, as if that was not bad enough, someone said that the ultimate result was that he got rid of the car. That is what you think. No siree, Mr. Speaker. He had a limousine subsidized by the taxpayers through the back door of the Reform Party provided to him after refusing the first limousine in the publicity stunt I have just described.

• (1905)

Those are the people who talk to us about leading by example and governing with integrity. Yes, those are the same people.

Let us talk a bit more about governing with integrity. Let us talk about what I would qualify as suitable leadership. Yes, the leader of the Reform Party decided that he wanted a 15 per cent pay cut, but he had his suits bought by the Reform Party in order to supplement his income. That is leading by example. Mr. Speaker, do your constituents or do my constituents receive subsidized suits? Hardly. If they did they would probably be a taxable benefit. I wonder if it is a taxable benefit for the member of the Reform Party. Perhaps some of our colleagues in the House who are accountants can enlighten us on that subject.

Let us develop that a bit further. The leader of the Reform Party, from what we were told, is also receiving, thanks to the taxpayers of Canada, contributions to his RRSP and all sorts of other things like that. If that is not bad enough, some Reform Party members said they were taking a 15 per cent pay cut. I know their performance has not been all that great, but to say that it was only 85 per cent as valuable as everyone else's, not even I would go that far. Let us assume that they were worth the same amount as other MPs, which I know is a debatable point.

We had the following situation. Some of them did this and some of them did not. And then the whole thing was reversed because, as they said in a press interview, the people were not appreciating it sufficiently. They did not change their minds because it was wrong or right, but because they did not get the right amount of publicity.

Mr. Morrison: Mr. Speaker, I rise on a point of order. Is there not a House rule that requires speakers to keep to the subject? I thought we were debating Bill C–85 and the amendments thereto.

The Acting Speaker (Mr. Kilger): The hon. member for Swift Current—Maple Creek—Assiniboia raises an issue that is often raised in this House with regard to relevance. Of course in a speech of a potential maximum of 20 minutes, sometimes members take a little longer than others to get to the actual point in debate. But I am sure that the speech of the hon. member for Glengarry—Prescott—Russell, who is an experienced parliamentarian, will certainly be relevant to the bill that is before the House.

Mr. Boudria: Thank you, Mr. Speaker. I am reminded that we are discussing the pay and benefit package of MPs. Of course that is what I was addressing in this House. I know that I was addressing the pay and benefits of Reform MPs—

Mr. Morrison: Mr. Speaker, I rise on the same point of order. The hon. member says that we are discussing pay and benefits. There is nothing about pay in the bill. We are discussing pensions, period.

The Acting Speaker (Mr. Kilger): I do not believe that is a point of order. We are getting into debate.

Mr. Boudria: Mr. Speaker, as I was saying before I was so rudely interrupted, we were discussing the benefits of MPs. The hon. member invoked the rule of relevance, and perhaps discussing what some MPs are worth, particularly the Reform kind, is not really a relevant issue. Perhaps there is some merit to what the member said. However, let us get back to the central issue of the debate. We are discussing how MPs of any political party should be paid.

The salary I get for being an MP is about the same as that of a high school teacher in my constituency. That is fair game. I knew the salary before I got into this, and I accept it. I think I work somewhat longer hours, but that is okay. That is certainly acceptable in my book. I do not ask for anything more. However, I do resent those people who come here and say that we are worth less, that our salaries are too big and that the benefit package

offered to members is too high. These people do the same kinds of things in terms of getting backdoor salaries.

• (1910)

I also resent people who pretend that MPs somehow get too much in the way of pension when they or their own colleagues are getting federal government pensions at the same time as they are sitting in the House of—

Mr. Silye: Mr. Speaker, on a point of order, I want to clarify that I had just said in my speech that MPs' salaries were too low, not too high.

The Acting Speaker (Mr. Kilger): This is not a point of order. We are engaging in debate. Resuming debate, the hon. member for Glengarry—Prescott—Russell.

Mr. Boudria: Mr. Speaker, it is true that that member invoked a huge pay increase for MPs, so I am not going to say that he asked that the salaries be reduced. But others who spoke not long before he took the floor tonight referred to the fact that we were overpaid.

There are a couple of further points to consider in all of this. One, allegations are made about our so–called golden pension and so on. I know it is not easy to defend one's salary, one's paycheque. It is a lot easier to say no.

I remember those days in the Ontario legislature, where I sat in a previous incarnation. The odd three or four MPs would vote against a pay increase and none of them of course would ever refuse to take the increase once it had been given, in spite of voting against it. We are seeing the same kind of thing going on here.

The bill that we have before us is to reduce MPs' pensions. Whether or not that is a good idea is a matter that is open for debate, but we were elected on a specific program to reduce it. It is a commitment we made. What we are delivering on tonight is in excess of the commitment we made. We were elected on that. Fair game. I could have disagreed or agreed with the individual parts of the red book, but I was elected on the red book and I will vote for that.

At the same time, it does not mean that any of us in this House should cater to the likes of David Somerville of the National Citizens' Coalition, who raises money by printing in the newspaper little pigs saying that little pigs represent MPs and that to cut off their salaries would be a good thing and that if Canadians want those benefits for MPs cut off all they have to do is send their money to David Somerville in a little box, which happens to be at the bottom of the same newspaper ad all the time.

What does he do with that money? I am sure he sticks it in his own pocket. Who is he accountable to? He has an outfit called the National Citizens' Coalition. It is not national. It is not a citizens' coalition. It is nothing of the sort. It is a business. It is run by him and for him for his own benefit. He does not disclose how many members he has. He never discloses any of the names of any members. And he makes no disclosure of the salary he gets from generating these contributions from Canadians. That is not an honest way of doing business.

People know how much I make. People know how much the member across the way makes. And he does not pretend, issuing a press release, that people should send him money so that he can blast David Somerville in Toronto. He would not do that. Neither would I. But he gets away with that, and a few of us cater to that kind of nonsense. It is not right, and it is about time some of us said it.

On the issue of the pension itself as it is today, it is going to be reduced with this bill. I am 45 years old. I have worked in the government all my life. I worked for 14 years as an employee of the federal government. Because I had only nine and a half years of contributions to the pension plan—in the beginning. I was a sessional employee—I had no pension. I had to withdraw my contributions. I was given 2 per cent interest on the money I had invested there. Are they the kinds of funds I would have had in an RRSP? Surely not.

Then I served under another golden pension plan as a member of the legislature. I served there for nearly four years. Interest rates in the 1980s were in the area of 18 per cent.

• (1915)

An hon. member: Who got them there?

The Acting Speaker (Mr. Kilger): Again, I caution members. I know there are some very strongly held views on both sides of the House, but please direct the interventions through the Chair.

Mr. Boudria: After four years I was given my premiums back, no employer share, no transferability, no portability and 4 per cent interest when the interest rate was 18 per cent. Would anyone else invest their contributions that way? I suggest not.

I have contributed to the federal MPs pension plan since 1984, 11 years. The Library of Parliament research office calculated the value of the premiums I have paid plus interest, based on the regular guaranteed investment certificate rate. I have contributed in interest and premiums, $136,988. That is what I have paid personally toward the plan, interest and premiums included.

Some members across the way were asking why all of this was not in an employer–employee plan, jointly contributed, a money purchase plan of sorts where both sides contribute the same amount. If that would have been the case with me I would now have $273,976. Just the interest on an amount of that size at 10 per cent would be $27,000 a year which I could draw right now. If I were defeated today as an MP I would get about $30,000

instead of $27,000. That is the gold plated pension plan those people across the way talk about.

They talk about these unfunded liabilities. These unfunded liabilities are based on assumptions of the nature that the money I contributed toward the plan bears no interest. Who has ever said that? Nobody. That is why they make these kinds of allegations but they need to be substantiated with some facts and some truth.

Yes, of course, Mr. Speaker, you could probably find someone's grandmother here and find an unfunded liability for their old age security cheque. If you revealed those numbers, someone who is 65 and expected to live until 85, 20 years times an OAS cheque, plus the supplement if they so qualify, that would make a huge amount too. Are the people across the way suggesting we cancel that?

If that were the only element of debate it would be awfully shallow. It is awfully shallow. I am not ashamed of the paycheque I get as an MP. I am not asking for more at all. I think I do an honest job of trying to serve the people who sent me here many years ago.

Some hon. members: Hear, hear.

Mr. Boudria: I said at the beginning of my remarks that I had been a federal civil servant. I know I have said this before but I will repeat it now. I started here as a busboy in the parliamentary restaurant. The other day I looked at my paycheque when I first started. It was $86 for two weeks. That was on October 25, 1966.

I work hard for my constituents and I think we should be working hard. There is nothing wrong with our doing that. I am not complaining about it. I am glad that I work hard. I am glad I have the health and so on to do that which is required of me to properly serve my constituents. At the same time we should stop pretending that MPs are overpaid and underworked, do not do anything and so on.

If the only thing wrong with that would be that we criticize each other, I suppose it would be secondary. However we are diminishing the whole institution by keeping this up. Of the G–7 nations, Canada is either sixth or seventh in terms of the compensation it offers to its legislators at the national level. It is not the highest. We are not pigs at the trough. What kind of nonsense is that?

An hon. member: Garbage.

Mr. Boudria: It is garbage and that is all it is. We are trying to do the appropriate job for those who sent us here.

I sit with a number of others on the Board of Internal Economy. We have made cuts everywhere we could and we are continuing to do that. We are going to continue to strive to do a good job, one that is economical for those we serve. At the same time, I say to members across the way that when they start doing things like saying members are worth nothing or very little, they do not win.

• (1920)

Some members across the floor were high ranking people in the military. How many people in the military are chauffeured around with limousines as part of their jobs? Do they have to account for that every day? Do members of the military have to put up with this kind of debate about their pensions? No, and I am not saying they should.

We were told by one member that the normal age of retirement and getting a pension is 65. That is what he said to us. We are going to be dealing with bills shortly to bring the retirement age in the public sector from 55 to as low as 50. So where is the truth in what we heard earlier? It is not there.

I end on the tone I started on. We made commitments through the red book. We are going to deliver to the people of Canada. At the same time, it does not mean we are doing a service to democracy by doing the damage that some people are trying to do.

I am now at an age where some of this is starting to make less and less difference. I am already here. I have been elected. My children are advancing in terms of university and everything else. None of this will probably affect me in the future, or if it does, very little. People who are 25 or 35 years old and want to run in the next election, I do not want for them to be unable to run because they cannot afford to, because they cannot afford the compensation package and because they cannot afford to leave the workplace.

As I said, I am already here as are all of us, but we have to remember that we are not here permanently. Others will come after us. To destroy the institution is serving no one.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I wanted to follow up on my colleague's remarks and comment on the extensive damage this debate is doing.

I ran as an MP solely because I wanted to serve my country. Many people on the other side of the House, certainly the Reform Party, would have us believe they did the same thing and I believe them. Bloc members also have run as members of Parliament because they have an idealism, they believe in a cause. I might not agree with that cause, but they have run for the very best of principles.

I have received 20 letters on this issue, 20 special letters. They are from a school in my riding and the children are only 12 years old. Those letters condemn me as a member of Parliament as a result of this debate. They accuse me of being at the trough. They ask: Why am I taking these inflated salaries? Why am I cheating the public? Obviously this group of school children

have a teacher who has the same view as the members of the Reform Party.

What is happening is this debate has destroyed the face of those children.

Some hon. members: Oh, oh.

Mr. Bryden: Laugh if you will, members of the Reform Party.

The Acting Speaker (Mr. Kilger): Order. As I said earlier, I know there are some strongly held views on this debate as is the case on every debate, but the interventions must be made through the Chair.

Mr. Bryden: Mr. Speaker, I was getting a little heated there anyway. I do want to make the point that it is terrible to read those letters from those children and to see they have lost faith in their members of Parliament, not just me but all members of Parliament and the institution. That is the price of attempting a political advantage by this debate. That is exactly what it is. The members who have initiated this debate should really think twice. I agree with my colleague that they are destroying the institution and they are destroying the faith of the children in this land.

• (1925)

Mr. Boudria: In Britain in the 1830s the great reform act was passed. I think it was eventually passed in 1832, if my memory serves me. The debate lasted a very long time. The reform act had two purposes at that time. One was to widen the franchise because very few people had the right to vote in the United Kingdom, which included Ireland. Some of the people who fought the most to ensure both features were included in the legislation, widening the franchise and giving salaries to MPs, were the people of Ireland.

It was their feeling that if a person came from a disadvantaged group the chances of their kind being represented in Parliament were nil. Daniel O'Connell was elected to the Parliament of the United Kingdom. He was known as the liberator. The liberator was elected to Parliament but he came from a very wealthy family.

In spite of the fact that he was elected, I believe, in 1829 it took a number of years before others could get elected because there were no salaries for MPs. If they were fortunate enough to sit on the government side they had the government benefits at the time. They had what they called offices; they served in various functions. If they did not receive government benefits, as the minority Catholic members obviously would not have, they received no salary for being an MP. That was seen as being the biggest disadvantage for people seeking public office.

Widening the franchise enabled everyone to vote and made it possible for people to seek public office because they had a salary by which to transport themselves to Parliament. Those were seen as the two important things. That is the history of that Parliament. Our lot is not the same and I will not say it is.

I would like to close by saying what I said initially. I was able to run for election to be an MP notwithstanding that I started from the lowest rung of the ladder. If I had been rich I could have run notwithstanding anything else. I was not and I am still not rich but I was able to run notwithstanding. I am today a member of Parliament in the highest court of the land representing my constituents.

Because there is a salary and benefits it makes it possible for not only wealthy middle aged men to run, but for young people, people from disadvantaged groups, and all others to come here. Parliament, if it is a democracy, should be a microcosm of those we claim to represent. Rich people should have a right to run, poor people should have a right to run, men and women, all equally. In our efforts to make things better let us ensure we are making them better, not worse. That is the point I wish to make.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

• (1930)

The Acting Speaker (Mr. Kilger): The question is on the amendment to the amendment. Is it the pleasure of the House to adopt the amendment to the amendment?

Some hon. members: Agreed.

Some hon. members: On division.

(Amendment to amendment agreed to.)

The Acting Speaker (Mr. Kilger): Resuming debate on the amendment, as amended, with the hon. member for Kootenay East.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it is interesting to me as an absolute novice in the House that we are at the mercy of people on the other side like the member who just spoke. They have parliamentary knowledge having gone to England and learned at the feet of the masters how to run different affairs within the House of Commons. It is particularly disappointing on an issue that is key to my relationship as a politician with the people I represent that the government would try through procedure to slip it through the House tonight so that it could get it under the cover of a committee.

The member from Hamilton talked about the fact that young people in his constituency have approached him and written him letters saying that they have a low regard for politicians. The problem is that he does not understand the actions of the government today in the House of Commons are a duplication of the actions of previous governments of the Liberal stripe and of the Conservative stripe, whereby politicians consistently looked

after themselves to the best of their ability. That is the reflection these young people have.

We can look at the fancy words in the red book about restoring integrity and about building bridges between the people in the constituencies and the politicians. However we see in the actions tonight, in the total waste of time of this assembly, the reality. The reality is that the government will do anything it needs to do to slide this kind of process through the House.

In looking at the issue it is interesting how we as members of Parliament arrived here. Totally contrary to the assertions made by the Liberals, the member for Calgary Centre and I as do all of us agree that the pay package or the actual salary package is deficient against the number of hours being put in and the level of responsibility of members of Parliament.

What did previous politicians do? They said that it was too visible, too transparent, that people would see they were doing something to change it around. Therefore they came up with the gold plated pension plan. Now we are faced with a situation where in taking a look at the pension plan and at the changes proposed in the legislation currently before the House we simply compound error upon error. We simply continue to generate a situation where we have a wall between ourselves and our constituents.

• (1935)

I find it absolutely astounding for the Liberal members to assert that somehow it is only in Reform constituencies, that it is only our constituents who are concerned about this issue.

It makes me think of when we were having a debate about the very meagre, weak-kneed measures that were brought forward by this government with respect to the Young Offenders Act. We were having a debate in this House of Commons, I believe on the Thursday immediately prior to the Liberal convention.

Reform members of Parliament were being told that everything was fine and the only place where there were any problems and any desire to make changes to the Young Offenders Act was in the Reform constituencies. What an amazing thing. There were only 52 constituencies out of 295 that had a problem with the Young Offenders Act, or so it was being represented by the Liberals.

It was particularly fascinating that what ensued out of the convention convened by the Liberals on the Friday, Saturday and Sunday is that members of their constituency organizations told them that Reform was right. They told them that there was a problem.

Could someone inform me what the annual membership fee is to be a Liberal party member? I assume one has to pay or do they give them away?

Mr. Knutson: Ten dollars.

Mr. Abbott: Ten dollars. In other words, for people in Canada to get a message through to Liberal members of Parliament they should line up, pay their $10 and then maybe they will be listened to within the confines of one of those meetings. That seems to be the only place that this kind of communication is actually taking place.

I am relating this young offenders story specifically to this issue. The situation in this House is that within our party, as members of Parliament, we walk around trade fairs and we walk up and down the streets in our constituencies and people approach us saying that this is the issue. I challenge members present to tell me with a straight face that people in their constituencies do not see this as a problem. I cannot comprehend that this is a problem in only 52 constituencies.

One of the problems it has created is when one ends up with the travelling information gathering road shows the government puts on. I should not say that in such a way because it does sound rather denigrating. When the government makes an effort to listen to the people it moves a standing committee around Canada.

As an example, the member for Cape Breton Highlands—Canso went around last fall getting input on social programs. I wonder if there were any walls between him as the chair of that standing committee and the people he was talking to about the downgrading that was going to have to happen with respect to social programs. According to the figures I have in my hand, if he were to resign today he would be eligible for $1,495,663. Yet he in that capacity, in spite of being eligible for $1,495,663, was telling people: "I am sorry, we are going to have to downgrade the social programs".

There is that kind of wall. I appeal to the best sense, if they have best sense, of the people on the other side of the House. I ask them to listen to the people if they ever go to trade shows or if they ever go walking up and down the streets.

If they listened they would hear that the issue is the major barrier between all of us as politicians and ordinary Canadian citizens. It is simply not right that we should be able to have a program three times as generous as can be had in the private sector. It is a wall; it is a barrier. I appeal to members opposite to take another look, to wipe out the existing legislation and go with $1 to $1. Let us get out of the faces of ordinary Canadians and break down the wall.

[*Translation*]

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on the amendment. Is it the pleasure of the House to adopt the amendment as amended?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): At the request of the representative of the whip of the official opposition, pursuant to Standing Order 45, the recorded division on the motion now before the House stands deferred until Monday at the usual hour of daily adjournment, at which time the bells to call in the members will be sounded for not more than 15 minutes.

The House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24.

(The House adjourned at 7.43 p.m.)

HOUSE OF COMMONS

Friday, May 5, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed from May 3 consideration of the motion that Bill C–43, an Act to amend the Lobbyists Registration Act and to make related amendments to other Acts, be read the third time and passed.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am very pleased to participate in the debate at third reading of the bill on lobbyists. I think that it is important to reflect on the role of lobbies. Their role is essentially to attempt to influence the positions taken by the government and parliamentarians on policy issues and to defend private interests.

I would also say that lobbyists end up reducing the direct influence that citizens have on their representatives. We have seen some instances of this in the past year, for example the lobby that formed around the somatotropin issue. One company that wanted to see somatotropin approved went so far as to hire a manager who was on leave without pay to lobby the government machine. There are also very obvious cases where Canadian banks are systematically making representations to MPs in an effort to either effect changes or to maintain the status quo in taxes and regulations.

I do not think that anyone is against the fact that lobbyists exist. The same thing goes on in all parliaments. What should be looked at, however, is their methods, because so many things have come about mysteriously in the past which could have been the result of lobbying. Parliamentary history, be it in Canada, England, the United States, or almost anywhere else in the world, is characterized by blatant examples of this. This has led other parliaments to reflect on the best way to monitor this activity to prevent abuses.

Other examples of this have cropped up recently in the news here in Canada. For instance, there is the connection between the Liberals, Power Corporation and certain decisions. Today, it is DTH television services. Yesterday, it was the railways. It is always there and it is always connected with important decisions. Under the Conservatives a major debate began on this issue because the Tory party was very close to the business community and there had been quite a few instances of practices that were doubtful, to say the least, the latest and most notorious example being the privatization of Pearson airport.

During the election campaign, the Liberal Party promised that it would make some major changes in this respect, and that was before it formed the government. Unfortunately, Bill C–43 is a typical example of much ado about apparently nothing. They promised us a transparent system, and what we get is, for instance, an ethics counsellor appointed by the Prime Minister and accountable to the Prime Minister. To the Bloc, this does not denote transparency. It is not the way to establish a code of conduct and restore public confidence in our democratic institutions, because how can you ask an ethics counsellor who is appointed by the Prime Minister to judge the actions of the government and the Prime Minister?

In the past, in fact this year, we saw situations where the ethics counsellor was put on the spot when he could not really give an independent opinion. We would have preferred the government to consider the Bloc's recommendations, including a request that the ethics counsellor be appointed by Parliament so that he or she is directly accountable to the members of this House and is free to criticize the government and in fact any parliamentarian, irrespective of the connection that is there.

We have a situation where a lobbyist approaches a member of the government, the counsellor evaluates the government's transparency in all this, gives an opinion and then reports to the Prime Minister who is himself a party to the case.

• (1010)

This is entirely unacceptable, and perpetuates the image that politicians are always looking out for their own interests. I think this government will assess this later on during debate. I think there is support in Canada to improve the situation, and the bill does not satisfactorily do so. Considering the commitments the Liberals had set out in the red book, it was very clear that they wanted to go a lot further.

Once it crossed the floor, how is it that the government did not manage to drop its old habits? We can only guess at what influenced it. I think the answer lies in the fact that, in Canada, political party funding is still very unstructured. Companies, unions, groups and pressure groups can all contribute to party funding. So, once a party is in power, it is forced to pay careful attention to the comments and suggestions of those who funded it.

I think that the big companies, such as the Canadian banking network, for example, want to make sure that their lobbyists have a lot of leeway.

We parliamentarians must ask ourselves the following question: Is this advantageous for Canadians? It is advantageous for Quebecers to leave all this leeway to lobbyists and to end up cancelling out the direct effect the public must have on the people they elected to represent them?

The second indication that a government has not let go of its old habits is the action of the lobbyists themselves. They are a highly polished group. We can see very clearly in the business of the Pearson airport that lobbying firms have interchangeable people. When the government changes, they have someone from the right family and the right school, who has access to a particular ear. When another party comes to power, they bring out of mothballs someone from the right family and thus ensure uninterrupted influence.

We in the Bloc Quebecois feel that the government should have given a much stronger message to the public that it wanted to ensure that the people of Canada were the primary agents of democracy and that they had the greatest influence on their members. To this end, we made some very constructive suggestions, which the government rejected. This is rather sad.

Let me give you examples of that situation. The Bloc Quebecois is in favour of registration for lobbyists, regardless of the tier to which they belong. Currently, some lobbyists make representations to ministers, while others are in contact with senior officials or MPs.

The existing rules regarding the disclosure of the fact that these people are lobbyists vary. These people should all have to register in the same manner, so that we know exactly who is lobbying, not just those who are paid specifically to do it, but also all those who do it under cover, as director of public relations, director of governmental relations, etc. We want to have an accurate and comprehensive overview of the situation.

It is important, for reasons of transparency, to know about all the activities and dealings which relate to government contracts. Lobbyists should be required to disclose, on a regular basis, which contracts they are working on, so that we could have a clear idea of how such representations are made and how contracts are awarded. The process must appear relatively fair, and there must be sufficient transparency to be able to determine whether the most deserving group or company was awarded a contract, in compliance with acceptable standards and criteria.

• (1015)

We also think that meetings with senior officials should be reported. After being elected to the House of Commons 18 months ago, one of the first changes I noticed compared to my previous job was that lobbyists were calling us and knocking on our doors asking, "Could we meet with you to discuss this or that situation?"

I think that this type of relationship with elected officials is normal and should be reported. What is a little more nebulous, however, is the representations made to senior officials. One of the ways lobbyists can exert influence is by becoming involved in the drafting of bills or regulations before decisions are made.

It would be interesting to receive a list of these interventions to see whether or not a given clause has been included in a bill as a result of lobbying. The disclosure requirement alone may even reduce the number of such meetings. Again, I think it would be interesting because it would allow elected officials to have more control over, and more direct contact with, senior officials, thus allowing the people they represent to exert, through them, greater influence on the work done by senior officials.

Therein may lie one of the causes of the current situation in which high level bureaucrats, senior public servants, often seem to govern through a third party and exert some control over ministers instead of the other way around. Much about this type of influence remains unknown and unclear at the present time.

Another decision, which was suggested by the Bloc and which, I think, is very important because money has been described as the root of war, is to eliminate tax deductions for lobbying expenses.

Paradoxically, companies can now obtain tax deductions for lobbying expenses often incurred to influence policies to their advantage even when these policies are not in the public interest. It is a government incentive to spend money on this kind of lobbying, while ordinary citizens trying to get organized to apply pressure often cannot obtain similar services.

We could look at this in the context of the ongoing debate on gun control, without getting into too much detail. There is lobbying around this issue, lobbying by those who want more gun control and by major associations which oppose gun control. For my part, what I see mainly is citizens trying to express opinions, one way or the other, on this issue. But they cannot

exert the same influence, mainly because the companies or corporations on either side of the debate can claim income tax deductions for their lobbying expenses, while the residents of a village cannot.

Here is an example. I met in Saint–Médard–de–Rivière–du–Loup, a locality in my riding, with 25 or 30 people who wanted to talk to me about this bill. It was not possible for them to form an organized group and defray the cost this entails. Still, they had worthwhile arguments that made good horse sense to put forward and they should be given the chance to do so.

That is why I think it would be important to reinstate the relative balance between stakeholders and one good way of doing so would be to stop encouraging companies to hire lobbyists by making sure that no tax deduction can be claimed for this purpose, as it acts as an incentive to hire lobbyists.

How could we finally get a government that would stand up and seriously tackle problems like this one? This would have a direct impact on the way people perceive their elected representatives. Just look at the degree of confidence the people have in their elected representatives, I would say it is far from satisfactory and we have to do something about it. One way is to show all Canadians that there is no hidden force acting within the system, that nobody has more power than they should have because of the rules of the system.

• (1020)

What fundamental change should be made? It all boils down to party financing. If we want a responsible government that will make changes in this area, we have to make sure that political parties do not owe anything to anybody. We have this model in Quebec where only individuals can contribute to the financing of political parties, which makes the government much more at arm's length with companies, unions and other groups.

If federal political parties would agree to this kind of financing, the party elected to office would be under a lot less pressure in terms of keeping its election promises, instead of feeling the kind of pressure that has forced this government to introduce such a weak bill.

The subcommittee report on Bill C–43 is coyly entitled "Rebuilding Trust". The way to rebuild trust is to make sure that the public knows everything there is to know and has an complete overview of the situation, that there is nothing secret going on. The only way to achieve this goal would have been for the government to do almost exactly what it had promised during the election campaign so that Canadians could see a clear relationship between what the Liberals said and what they are doing.

Unfortunately, in this case as in several others, this government has a double standard. It campaigned to be elected, but today it is implementing the agenda of a party that the public completely rejected, that is the Conservative Party. This is as true in the case of lobbyists as in the other areas. This is why the Bloc Quebecois is very disappointed with the choices made by the government and wants the public to be aware of it. For once, it can be said that this has nothing to do with the constitutional or with the national issue.

We should realize that for the federal Parliament to serve Canadians well—and this is true for any provincial legislature, any government—the appearance of justice and the citizens' confidence in government are of critical importance. But as with many other issues, the government has lost an opportunity to make history. It is our hope that it will have the courage to go back to the drawing board.

[*English*]

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I appreciate the comments of my colleague from the Bloc. I note with interest that the Liberals promised great openness, great honesty and great accountability in their now infamous red book. I read that they will appoint an independent ethics counsellor who will report directly to Parliament. They say they will not allow the public agenda to be dominated by lobbyists as it has been since the Conservatives took office.

I invite my hon. colleague to comment on whether or not he thinks openness, accountability and independence have been achieved.

[*Translation*]

Mr. Crête: Mr. Speaker, I believe that the criteria of the government's accountability and independence vis–à–vis lobbyists have not been met. The reasons are outlined in the Bloc Quebecois's minority report which also proposes solutions.

• (1025)

The report prepared by the Reform Party, which believes that the Liberal report has two major shortcomings, namely insufficient disclosure and the way the ethics counsellor is appointed and his accountability, concurs with the report by the Bloc Quebecois as far as these problems are concerned. However, perhaps because of the expertise acquired in Quebec concerning the financing of political parties, the Bloc Quebecois went much further, making some concrete proposals that may improve the situation. Having listed these proposals in my speech, I will not repeat them. But as we are about to enter the next century and we see that governments have less and less control over international decisions and the way things are done, I believe this will be one of the criteria people will use in determining whether their government is doing its best to ensure adequate development for their country.

People can understand that we can no longer control all the variables and that we live in a very complex world, but they will never accept that those variables may be controlled by others than their elected representatives. I believe that, in choosing their representatives, voters will systematically come back to

the following criterion: they will want to make sure that their elected officials really represent them and are not continuously influenced, with varying degrees of transparency, by lobbies that do not reflect the opinions of the electorate.

Having been made aware, since I was elected, of all the twists and turns involved in bringing about a policy decision, it is obvious that what people want is for their elected representatives to have control of what is going on and not simply be the puppets of people who have received no mandate from the voters. I think that the government will have to go back to the drawing board. I do not know whether it will have the courage to do so during this Parliament, but this whole issue will surely remain a fundamental one for voters, and the suggestions that were made by the Bloc Quebecois in its minority report will prove to be an interesting guide in this respect.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I listened carefully to the remarks of the hon. member, and I think he did a very good job of pointing out the problems with this bill, and more particularly the fact that it does not go far enough. Members of the official opposition have been receptive to representations and comments made by the public during committee hearings. I was one of those who attended most of the hearings of the committee on lobbying. What struck me the most is that people want more openness in the public sector. They do not trust politicians any more. They said it quite bluntly: We do not trust politicians. We have the definite feeling that all the decisions made on Parliament Hill—or at any other level of government, but let us deal with our own House first—are made to serve the personal interests of politicians. That is what people told us. It is quite clear and easy to understand.

I think Bill C–43 was an opportunity for us, as politicians, to demonstrate our commitment to openness. We had an opportunity to pass a bill on lobbyists that would clearly show that we are not here to advance our own interests or those of the government's buddies. That was the very praiseworthy goal of Bill C–43, but the government did not take the necessary steps to reach that goal.

With Bill C–43, we had a chance to really shed some light on what goes on on Parliament Hill, but we let it slip by. One thing we could have done to promote openness and show Canadians how serious we are on this issue would have been for the House to have a say in the appointment of the ethics counsellor, and for the bill to stipulate that our code of conduct was binding, just like the one lawyers have. I am a lawyer myself and, when I used to practice law, our corporation had an official whose job it was to slap us on the wrist if we misbehaved. I think we should have taken this opportunity to develop a binding code of conduct to ensure some kind of supervision.

• (1030)

Instead, we will end up with a non binding code of conduct written by an ethics counsellor appointed by the Prime Minister, in other words, with a document that is just so many empty words.

The hon. member mentioned some issues and current events. My question is: Does he agree that, if we had had an ethics counsellor appointed by the House, accountable to the House, with the statutory instruments needed to enforce the law and ensure openness, would the goal set out in Bill C–43 have been reached and better defined? Could the hon. member provide an answer to my question?

Mr. Crête: Indeed, Mr. Speaker, I believe this is a symbolic example of the situation regarding the ethics counsellor.

I would like to remind you of a sentence which was in the red book of the Liberal Party of Canada. It says: "The integrity of government is put into question when there is a perception that the public agenda is set by lobbyists exercising undue influence away from public view". Hence, what our citizens want, according to the Liberal red book, is better information on the influence of lobbyists.

Opting for an ethics counsellor appointed by the Prime Minister and accountable only to the Prime Minister, is like saying that the person who is going to look into the situation has a direct tie with the one who might be implicated. This shows concretely that Liberals did not go to the core of things and did not deal, in a definite, long term way, with a situation which is unacceptable to the people.

This is something we had been trying to deal with following the last election campaign, and I repeat that Liberals will be accountable to the people for not having used the solutions which, in the end, were the results of a consensus in our society.

Today, the decisions needed are very complex and we have to make sure that things are open enough and that the people who are going to pass judgment have an independence somewhat similar to the one enjoyed by the auditor general. If the auditor general were not independent of the government, do you think that he could systematically report on the government's efficiency like he is now doing? A new auditor general would be brought in before he could get a second report out. The same goes for the ethics counsellor. The Prime Minister will either give him a very limited role or he will simply be obliged to give in to pressure from the lobbyists and, in this way, serve to cloak their activities even more. We have before us a perfect example—the MP's question is quite germane—of the fact that the government did not fulfil its mandate and that is the main reason the Bloc Quebecois will not support this bill.

The Deputy Speaker: The five hours provided for debate have now expired. We are now entering the ten minute period.

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, everybody knows that it is high finance that controls the government.

If Bill C–43 had had more teeth, it could have had the merit of keeping this pack of predators at bay.

The hon. member for Berthier—Montcalm, my Bloc Quebecois colleague, introduced a series of amendments which would have effectively caged them in, but the Liberals rejected them all. How can they possibly hope to control the situation when they, like negligent shepherds, have flung the doors of the fold wide open, turning a blind eye to the hungry wolves killing off every last lamb in the flock, one by one?

Let us not kid ourselves. If Bill C–43 is passed as is, the government will not be able to pry open the stranglehold that the lobbyists have on the affairs of the state.

• (1035)

They will still be able to promote their own interests as they influence major decisions that should be made in the best interests of the people of this country. In the debate on this bill, the very credibility of our democratic system is at stake. We know and we said this earlier, that the public does not have a very high opinion of politicians. This attitude extends beyond elected representatives to include our institutions as well.

With Bill C–43, the Liberal government had a good opportunity to keep its promises and promote the transparency of our political life and our democratic system. Unfortunately, these promises will never be kept if it depends on hon. members opposite. They reject all amendments. They reject all the good ideas my colleagues submitted, although these were proposed in a spirit of co–operation, not as a way to score points.

My colleague submitted amendments based on the concept that democracy is the only valid system of government. We in the Bloc Quebecois believe that democracy is sacred. It is the only system we accept and practice, and we uphold its principles. The aim of democracy is to promote the public good. In a real democracy, governments are elected to manage the country's assets in the best interests of its citizens.

The aim of a genuine democracy is to ensure that all citizens have a chance to pursue their dream of individual happiness. In a democracy, this dream of individual happiness and success could be called the DIH. Today, the only thing that counts for this government is the GDP, the Gross Domestic Product or whatever contributes to the well–being of the financial community, the lobbyists, wolves whose only purpose in life is to feed on helpless sheep.

In a democracy, we all have the right to express our opinions. We have the right to promote and defend our interests, but we do not have the right to do so at the expense of our fellow citizens. However, that is exactly what is happening, and that is why public confidence in our institutions has hit a new low. Lobbyists for the financial sector manage to get government contracts through secret negotiations. They manage to influence government policy to further their own interests.

A good example is the fact that the wealthy in this country hardly pay any income tax. The rich can set up family trusts and avoid paying their fair share of taxes. The reason for this is simple: they have access to government and they use their influence. Our democracy is no longer being run by a group of individuals who have been elected to serve the community. It is governed in the utmost secrecy behind closed doors and on the sly.

We in the Bloc Quebecois agree with the need to restore people's faith in their institutions. I also believe that many of my colleagues opposite feal the same way, but I think the government is not willing to do the job. Since its election, the government has not been particularly transparent. A number of matters hint at the possibility of there being determinant outside influence, such as the matter of the Pearson airport in Toronto, for example.

However, what finally convinced me about the government's lack of willingness was the $400 a plate dinner in Montreal on May 3 given by the Liberal Party of Canada. You will never convince me that only Liberal partisans were involved. There surely were lobbyists there as well. Rest assured, Mr. Speaker, however, that there was no one, not even a Liberal, from Sainte–Irène, and there were no fishermen from Grosse–Roche. The people clearly remember the promises in the red book, but government leaders seem to have forgotten them.

• (1040)

If Bill C–43 were improved, it might mean greater transparency. A stronger bill, one with teeth, could at least increase public confidence somewhat. This was the aim of the amendments proposed by my colleague for Berthier—Montcalm.

In the case of the ethics counsellor, we in the Bloc propose that the person be accountable to the House of Commons, like the auditor general. The ethics counsellor must be independent and have his or her hands free to act, otherwise he or she would be subject to lobbyist influence. It would be a complete waste of time to appoint an ethics counsellor who could be influenced by outside forces. Such a gesture could only increase the mistrust of people for their own institutions.

Moreover, we recommend that there be only one category of lobbyists. Why differentiate? A lobbyist is an individual who,

on behalf of a group or a company, tries to influence the government. Are some motives more commendable than others? Certainly not, Mr. Speaker.

Lobbyists do not seek to improve the well–being of the community, they are hired to defend particular interests or to represent interest groups. I do not believe that creating different categories can be justified. If governing was adding up all the interests at stake, I would understand, but in a democracy, such is not the case. In a democracy, governing is thinking and acting with the best interests of the community in mind, which is contrary to private interests.

Also, we are asking that fees and meetings with senior officials and ministers be disclosed. The public has the right to know that information. Parliamentarians who represent Canadians have the right to know if a senior public servant was influenced regarding some major decisions. We talk about accountability in the public service, but let us not forget the notion of responsibility.

Public servants are paid by taxpayers to serve them. They are not paid to meet the expectations of lobbyists. What is at stake here is the credibility of the public service. Bill C–43 must provide for the disclosure of all meetings with senior officials.

The legislation includes a code of conduct for lobbyists, but no real means of enforcing it. This is like putting up a sign saying "No wolf allowed" in front of the sheep barn. Is the government so naive as to believe that such a sign will keep the wolf away? Is it so naive as to believe that a mere code of conduct with no enforcement measures will help rehabilitate our institutions?

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I appreciate the opportunity to rise in the House today to speak to Bill C–43, an act to amend the Lobbyists Registration Act. It is a very important bill dealing with a very major problem we have.

It is important we do all we can to restore the trust that has been lost between the voters and the politicians in Ottawa representing them. When I think about this bill it brings to mind the experiences I had when I was campaigning for the election. I was absolutely shocked at the number of people with the same response: "Here is another politician at the door telling me what I want to here now; however, you will go to Ottawa and do as you're told". I encountered that distrust and cynicism at far too many doors. It was a disheartening experience.

The bill is a small step in the right direction to do something about that. To reinforce what I am saying about the lack of trust and the cynicism I want to quote from the royal commission on electoral reform and party financing, 1992. It dealt with political cynicism in Canada. Seventy per cent of the people contacted responded: "I do not think the government cares much about what people like me think". Seventy–nine per cent responded: "Generally those elected to Parliament soon lose touch with the people". Eight–two per cent said: "Most candidates in federal elections make campaign promises they have no intention of fulfilling". And 64 per cent said that most members of Parliament make a lot of money misusing public office. Those are serious observations by the people we are here to represent. It is a very serious challenge, which we must do something about.

• (1045)

The mood of the voters was understandable. I understood where they were coming from as I went door to door. What was being said then has just been highlighted in the recent book, *On the Take*. That cynicism, to a large degree, was justified in the minds of the public. We are all tarred by that brush. We are dealing with a minority that does the things that were alleged, but it is a problem we all face and must address because we all pay the price.

It was evident that the government understood the problem, because in the red book it did talk the talk. Unfortunately, it has been words up to this point and not enough action. Page 94 deals with public trust:

> Nine years of Conservative government have brought our political process into disrepute. A Liberal government will restore public trust and confidence in government. We will regulate the activities of lobbyists by appointing an Ethics Counsellor. We will reform the pension plan of members of Parliament. We will give more power to individual MPs by providing more free votes and more authority for parliamentary committees.

I suggest that has not been happening. The government apparently understood the problem but is somewhat reluctant to deal with it. Some half steps have been taken, but it has not gone nearly far enough.

If we look at members of Parliament from the voters' perspective, whether it is real or perceived, and certainly some of it is perceived, they look at us while they are paying higher taxes and receiving fewer services. There are more people unemployed and indeed under–employed. There are a lot of young people who have skills far beyond what jobs they are forced to take because of the economy. There is an increase in crime, particularly among our young offenders. Our social programs are threatened and there has been some deterioration in them. They had no voice in Ottawa. I believe that was manifested in the GST, where that most unpopular tax was rammed down the throats of the Canadian people without them having a say.

All of this resulted in 205 new members being elected to the 35th Parliament. That was a very strong message from the voters that they were very unhappy with what had been going on here

and they wanted major change. They wanted the windows and doors open to find out more about what goes on in this place.

Those 205 new members represent a great challenge. It is a great opportunity for us to bring about the changes that are needed in order to restore that trust. If we want trust we have to give trust. Things like freer votes, recall and referendum, and Bill C–43 all lead toward that. We saw what happened to freer votes in Bill C–68. Those Liberal members who had the courage to stand up and vote by the wishes of their constituents were stepped on rather heavily and removed from committees; so much for freer votes, as was indicated in the red book.

With respect to recall, we saw what happened very early in the life of this Parliament, when a member was thrown out of the government. He was not good enough for the government, but there was no opportunity for the people of that riding to do something about the member.

There is no place for the referendum. There is still no voice for the Canadian people in this Parliament. I think the comment from the Prime Minister was that he found the referendum revolting. I do not think that comment would sit well with Canadian people, given their current mood.

As I said, Bill C–43 is a small step in the right direction. In dealing with Bill C–43, I return to the royal commission on electoral reform, particularly that 64 per cent of the respondents said that most members of Parliament make a lot of money misusing public office. It is a terrible mood that is prevailing out there, and we have to do all we can to change that.

• (1050)

The Canadian people want a more open and transparent process. This bill has got off to a bad start, because it is not going far enough.

The Pearson mess has been mentioned a couple of times already this morning. The Pearson situation is a very good example of lobbyists and the lack of an open process. That situation continues to deteriorate. If we review that situation, we had a government that forced that through during the campaign, which was wrong as far as the Canadian people were concerned. Then the Liberals cancelled that program without having due regard for the cost of that cancellation and indeed whether the Pearson deal that had been struck was a good one.

In looking at that deal, one of the things they did in shutting the doors was appoint a Liberal to do the investigation. Without questioning whether Mr. Nixon is qualified or not, that was a very poor choice, given the mood of the voters. It smacked of trying to hide things from the Canadian people.

Now we find that renegotiating or taking a look at that contract was not even an option. It has been made clear that indeed it was a process that was started with a bias, and that did not change. We have no idea of what might be the eventual cost to the taxpayers. The report was accepted by the government without one ounce of proof as to whether in fact there had been any wrongdoing. People's names were dragged through the mud. They were being denied the opportunity to have their day in court. Here again this is happening behind closed doors. The Canadian people want a more open process.

When we talk about infrastructure, the Pearson airport is Canada's most important infrastructure and it continues to deteriorate. Jobs could have been created in overhauling those terminals. Indeed jobs are going to be lost in Ontario and all across Canada because that airport is continuing to deteriorate.

One of the things that really bothered me on that Pearson deal was the comments that were coming from the other side about the sleaze, the corruption, and how rotten a deal it was. Yet the government was prepared to pay $30 million to this sleaze. If these people are half as bad as the government is making them out to be, why would they get one nickel of taxpayers' dollars?

We were demanding that an open and public inquiry be held. That was denied over a year ago, and reluctantly it is being agreed to now. It is unfortunately too late, because now we are going to have the Liberal hacks and the Conservative hacks in the Senate deciding who is the worst in this whole affair.

A problem with Bill C–43 is that the lobbyists should be identified by activities and not by employers. Another item is there is a definition in the bill that the lobbyist activity should be significant. How do we measure significant? If we go back to the Pearson deal, there was enough potential money to be made on that deal that you could be in once and out and be set for life. The word significant would not have applied in the case of the Pearson deal. The bill ignores the anti–avoidance schemes that are there.

The appointment of the ethics counsellor is another broken promise. On page 95 of the red book we were going to get an ethnics counsellor who would report directly to Parliament. Another broken promise. Another golden opportunity to restore the confidence of the Canadian people has been lost. Having him report through the registrar general is like having the auditor general report through the finance minister.

Remind all members we have an opportunity, with 205 new members, to do something to restore that level of trust and lost confidence. Let us not lose it. Bill C–43 is a small step. We can open it up so that it is a much larger step, taking us down the road to a much better and more open Parliament.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I am pleased to speak about Bill C–43, which seeks to amend the Lobbyists Registration Act and thus, we are told, ensure greater transparency regarding representations made to the Canadian government by lobbyists.

• (1055)

The Bloc Quebecois has always insisted on the need to monitor the activities of those who make representations to politicians and public servants in an attempt to influence decisions for the benefit their clients.

The Liberals' red book is infamous, because it was their election platform, but has become the graveyard of all their unfulfilled commitments and promises. The red book stated that "a Liberal government will move quickly and decisively in several ways to address these concerns about conflicts of interest and influence peddling". A few weeks later, as soon as they got to power, the Liberal government stressed in its Speech from the Throne that "legislation will be placed before you to increase the transparency of the relations between lobbyists and the Government".

Despite the far from exemplary past of the federal Liberals in this area, Quebecers and Canadians were ready to believe that this was it, that this federal government was finally going to clear out this dark corner of our political institutions and bureaucracies. Patronage and partisan politics have fed the public's cynicism regarding the government apparatus for much too long now for the government to be able to restore their trust. The 35th Parliament was given a clear mandate to change these old ways. Canadians and Quebecers opted for change and they elected us to defend the interests of all our fellow citizens.

Bill C–43 and the Zed report on the registration and control of lobbyists brought Canadians and Quebecers back to the sad reality. We have learned that the Liberals should carry a "best before" date, just like dairy products.

The Deputy Speaker: I am sorry to interrupt, but the hon. member will have the floor after Question Period.

[*English*]

It being eleven o'clock, we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

BURMESE REFUGEES

Mr. Harbance Singh Dhaliwal (Vancouver South, Lib.): Mr. Speaker, I recently returned from a trip to Burma and Thailand. While making that trip I learned a lot about human rights and some of the concerns the local people have.

I had an opportunity to visit the refugee camps on the Thailand–Burma border, where there are more than 90,000 Burmese Karens on the border. One of the major concerns they had was the security problem of the military government, the SLORC from Burma, attacking them. More recently I have learned that some of the camps I did visit in fact were attacked and more than 200 houses were burned down.

I made these concerns known to the ambassador of Thailand and to our foreign affairs people.

I would urge this House and all my colleagues to continue to put the pressure on to ensure that the refugees along the Thailand–Burma border are secure and that the Thailand government gets the security it deserves.

* * *

[*Translation*]

FISHERIES

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, speaking in the House on Tuesday, the federal Minister of Fisheries admitted that his plan for managing snow crab in 1995 changed the historic shares of the provinces, but he maintained that the measure would be temporary, just for this year.

This is a complete contradiction of a statement made by his secretary of state in Shediac on April 23, which indicated that the plan might be extended as long as the snow crab biomass remained stable.

Because of this measure, Quebec will lose 400 tonnes of crab and 40 factory jobs, while fishermen in the Gaspé and the Magdalen Islands will lose three million dollars in income. And the minister has the nerve to claim that his decision is fair to Quebec fishermen.

We are beginning to understand why the federal government insists on maintaining its right to manage fish quotas and continues to ignore Quebec's demands. Quebec fishermen, who are caught in the middle, are feeling the impact of this policy and are not about to forget it.

* * *

[*English*]

V–E DAY CEREMONIES

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, it is with great pleasure and pride that I say these words today.

I was moved by the ceremonies performed today across Europe in recognition of war's end and especially to remember Canada's role with the allies in the liberation of Europe. The news coverage revealed the incredible feelings of hospitality,

thankfulness and warm affection these people feel for Canadians.

To see the Canadian flag waving, to hear the cordial words from their youth, to participate in the prayers in their churches, to see the bloom of flowers on every street and city square made me, and I am sure all Canadians, even more proud of our heroes and country. It is this that shows us the true bond that exists between our nation and our people with the former allies overseas. We should all pause to consider how fortunate we are that we inherited and formed these bonds as a result of the sacrifices our fighters made in defending freedom.

It is moments like these we should dwell on to put into true perspective our lasting relations with our friends across the seas. Today in Canada we feel truly proud and grateful that God has blessed us and our country with such history and friends.

* * *

CFB CHILLIWACK

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the Liberal government has chosen to close Canadian forces base Chilliwack, a decision which many people in British Columbia regard as unwise.

I received a letter bearing thousands of signatures requesting that the government keep the base open. A public rally was held a few weeks ago, the weekend before the minister visited the base. Unfortunately the minister stated that the decision to close CFB Chilliwack was carved in stone, although both civilian and military personnel have posed questions about the closure that remain unanswered.

If this decision is final, it means that the government must now participate with the local committee to plan the transition. It must provide clear information on the timing and disposition of both personnel and facilities at the base as soon as possible.

The closure of CFB Chilliwack means the loss of over $100 million to our area. Now that the government's position is clear, it is time to begin working with the community to minimize the disruption to our local economy and to the thousands of families affected by this unfortunate closure.

* * *

LITERACY

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, last week we celebrated the fight against illiteracy in Canada. As someone who has been involved in this issue for a number of years, I want to take the opportunity to congratulate all the non-profit organizations, school boards and people involved in the issue of illiteracy from coast to coast.

Members will know that illiteracy costs Canada about $10 billion a year in lost productivity. To business alone it costs about $4 billion a year. That is quite appalling.

The initiative the government has taken on the issue is commendable. I take this opportunity to congratulate the minister responsible for literacy in the other place as well as the minister of human resources for their initiatives.

I hope that by the year 2002, we will have a literacy perfect society, whereby everybody will have a chance to read and write as they should be doing.

* * *

YOUTH

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, we often refer to our youth as the future of our country.

The majority of young Canadians are ambitious, intelligent, hard working and caring citizens, including the students from the Carleton North high school choir, those participating in the forum for young Canadians and the adventures and citizenship students, all of whom are visiting Parliament Hill this week.

Our youth are learning Canadian values that will enable them to grow into the leaders of tomorrow, who will protect others who are not as fortunate as they are, while providing every opportunity for those who follow them to flourish in the best possible environment.

Today I salute tomorrow's leaders, thank them for what they have done for Canada today and for what they will do in the future to ensure Canada remains a united and strong country to be envied throughout the world.

* * *

[*Translation*]

HEALTH CARE

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, in an article that appeared in the Quebec media, former Senator Claude Castonguay, the father of health insurance in Quebec and former health minister, gave a very clear analysis of the state of our health care system and the future of the system.

According to Mr. Castonguay, the federal government's withdrawal from health care funding is a major threat to the survival of our health care system.

• (1105)

Still according to Mr. Castonguay, despite this withdrawal, the federal government continues to act like an inflexible regulatory agency and dogmatically enforces the standards of the system. By calling the shots without sharing the costs, the federal government puts the provinces in an almost impossible situation. To us, it is clear that the only way to guarantee the

survival of our health care system is for the federal government to withdraw, with full financial compensation for the provinces.

The Bloc Quebecois continues to say, loud and clear, that the provinces have exclusive jurisdiction over health care.

* * *

[*English*]

INUKTITUT

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

[*Editor's Note: Member spoke in Inuktitut.*]

Mr. Speaker, Canada is a country of many cultures and languages. Our diversity strengthens and enriches us. In Canada we have values of respect for one another and accommodation of our differences. In Canada we do not have to be the same as everyone else. We do not all have to have the same roots or the same mother tongue to be Canadian, to love this country and to work for its betterment.

My mother tongue, Inuktitut, has been spoken in this country for thousands of years, long before European languages were spoken here. Along with other aboriginal languages, Inuktitut is an original language of Canada. Inuktitut belongs in the House of Commons.

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TAX REFORM

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I rise to present the fourth instalment of the Liberals copy Reform awards.

Today's lucky winner is the hon. member for Broadview—Greenwood, who last Monday stated: "If we do not have total tax reform in the House in about 25 or 30 months from now, I agree with the people who say we will hit the wall when it comes to our deficit and debt".

In those words, I see a member who is frustrated and lonely because his party is not supporting tax reform in Canada. It is a party that in one year in the name of simplicity has added 1,288 pages to the Income Tax Act.

Canada's tax system is out of control. It takes too much money from hard working Canadians who earn it and gives it to high spending politicians on that side of the House who blow it on pensions, on junkets, on programs like TAGS.

Reformers believe in a flat tax. It is supported by our entire party, unlike the Liberal member who is truly a lone wolf, whose unanswered howls for tax reform echo through the halls of Parliament.

V–E DAY

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, on Monday, May 8 Canadians will be commemorating the 50th anniversary of V–E Day.

I am honoured to rise today to pay tribute to our veterans. I am especially proud to recognize the many veterans who live in my riding of Annapolis Valley—Hants. I look forward to joining them on Monday to commemorate this momentous occasion.

For our military personnel, for our merchant marines, for our medical teams that worked on the front lines and for all those Canadians who contributed to the home front I am sure I speak for all my colleagues when I offer my deepest gratitude for their sacrifices.

On this occasion, I ask all Canadians to stop and reflect, to say a prayer of thanks for those who risked their lives and for those who died to preserve freedom. We are truly indebted to all of them.

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THE ENVIRONMENT

Mr. John Maloney (Erie, Lib.): Mr. Speaker, the grade 5 students of William E. Brown Elementary School in the village of Wainfleet in my riding of Erie ask that the government ban the use of lead shot in Canada.

Lead shot is used for hunting waterfowl, upland game birds, small mammals and for trap or skeet shooting. This results in 4,125 tonnes of lead being discharged into the Canadian environment each year. Lead is a highly poisonous metal that when ingested by birds or animals as they forage for food leads to a slow and agonizing death, a death that is totally unnecessary.

The use of lead shot is one more source of environmental contamination that is unacceptable, especially when there are non–toxic alternatives available, such as bismuth shot. It is my understanding that lead shot has already been banned in the United States and some European countries and that some non–toxic shot zones have been established in our own country.

I ask the Minister of the Environment to ban the use of lead shot throughout Canada. Let us follow the lead of these students by thinking globally and acting locally. Preserve our wildlife, simply ban led shot.

* * *

[*Translation*]

THE ECONOMY

Mr. André Caron (Jonquière, BQ): Mr. Speaker, according to information received recently from the Conference Board, the job situation in Canada is of major concern to consumers and business people.

In the world of business, 38 per cent of managers foresee an upturn in the economy in the coming six months, as opposed to 64 per cent last year. Fewer than one third of consumers in Canada consider this a good time to make major purchases.

• (1110)

Only 16 per cent of consumers think there will be more jobs in their community in the next six months, whereas, at the end of last year, 26 per cent of consumers felt there would.

Confidence in Canada's economy is shrinking daily, despite what the Prime Minister and Minister of Finance are saying. The Prime Minister should look at what is going on around him. Has he spoken recently to any of the millions of Canadians reduced to unemployment insurance and welfare?

* * *

[*English*]

EPILEPSY

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I recently had the pleasure of meeting with one of my constituents, Mr. Richard Aihoshi, who represents the Epilepsy Association of Metro Toronto.

Having personal experience with persons affected by epilepsy I know the true nature of this disorder which has long been distorted by myth and fear. Epilepsy is a physical disorder; it is not a disease.

People with epilepsy can and do lead full, productive and accomplished lives. Alexander the Great, Richard Burton, Alfred Nobel and Agatha Christie all lived with epilepsy.

I therefore congratulate the Epilepsy Association in metro Toronto. We must all do our part to better understand the 280,000 Canadians that live with this disorder.

* * *

RAF FERRY COMMAND

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, this coming Monday marks the 50th anniversary of V–E Day. Under the banner "Canada Remembers" Canadians will spend that day paying tribute to those Canadian soldiers who fought for their country in the second world war.

However the "Canada Remembers" slogan has a somewhat hollow ring. Many civilians contributed much to the war effort, at great risk to themselves, but have been largely forgotten. One such group was RAF Ferry Command to which I would like to pay tribute. Ferry Command was a group of determined civilian pilots who delivered more than 10,000 planes to the battle zones of Europe and Asia.

Ferry Command began in November 1940 when pilots from Canadian Pacific Air Services ferried seven Lockheed Hudsons non–stop across the Atlantic and continued their work for the duration of the war. Their casualty rate was a significant 20 per cent.

I would like to ask all members in the House today to take a moment to remember the brave men and women of Ferry Command.

* * *

GIRL GUIDES

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, today I had the pleasure of welcoming the 223rd Girl Guides of Mississauga to the House of Commons. I also had the great honour to present heritage badges to 18 of these special young ladies who had fulfilled the requirements, namely about their own heritage and about the natural and cultural heritage of Canada.

On this very special occasion I would like to publicly congratulate the honourees on their wonderful achievements.

I would also like to pay special tribute to the Girl Guides and their volunteer group leaders all across Canada for their very special contribution to their communities and to Canada which, as the Prime Minister has said so often, is a proud, generous, prosperous and tolerant nation, the best country in the world.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, there will come a point when the entire Pearson mess will crash and Canadians will be left to pick up the pieces of the wreckage. It is a sad day in Canadian history when patronage heaven decides to clear the stench over Pearson with Tory and Liberal hacks investigating a patronage affair.

Accusations fly between the two while the airport remains in a holding pattern. Canada's most important piece of infrastructure continues to deteriorate.

Reformers called for an impartial judicial inquiry over a year ago. Canadian taxpayers, as always, are stuck with the cheque and they want some answers. Instead, a year has passed and the Liberal government provides Canadians with a partial, patronage based inquiry without a single elected official, members of the family compact investigating members of the family compact.

Canadians deserve better government than this. It is time to rebuild; it is time to reform. We must not delay the development of Pearson, the crown jewel of our transportation system.

ORAL QUESTION PERIOD

[*Translation*]

INTERNAL TRADE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, the Minister of Industry stubbornly refused to admit that Bill C–88 gives the federal government extraordinary powers that go far beyond the scope of the internal trade agreement.

Now that he has read his bill and his officials have informed him of the scope of the provisions of C–88 on the government's retaliatory powers, could the Minister of Industry confirm that the federal government is giving itself, among other things, the power to cut transfer payments to any province that fails to comply with the internal trade agreement?

• (1115)

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member is mistaken once again. If he would read the bill, he will see the following, and I quote:

—pursuant to Article 1710 of the Agreement, the Governor in Council may, by order—

In order to understand the bill, the member will have to read the entire agreement on internal trade.

Had he read it, he might understand that the federal government's power in this area is very limited and applies only in the case of provincial discrimination against a company because of its federal status. Then there has to be a hearing before a committee to resolve the dispute and then another for the company and then the province involved has to refuse to implement the terms of the agreement.

The only provision then is that all parties must comply with the agreement. There is nothing like what the member for Roberval has suggested.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, how can the Minister of Industry continue to deny that Bill C–88 gives the federal government excessive powers, when no less than the executive director of the Internal Trade Secretariat himself, Bob Knox, says that Bill C–88 enables the government to use whatever retaliatory measures it deems appropriate in any sector?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I put the question to Mr. Knox this morning and he told me that the reporter had completely misunderstood him, which is not surprising. I can read the provisions of the agreement to the hon. member if he wants me to. I would like to stress this point because the federal government is very seldom in a position to intervene in a dispute. This applies only to those companies that are subject to action because they are federally regulated.

If this takes place after every other recourse provided for in the agreement has been exhausted, then the government may suspend the application of certain provisions with respect to a province, but on the following conditions: benefits must be suspended or retaliatory measures imposed in the same sector as the measure considered inconsistent with the agreement; moreover, benefits may be suspended or retaliatory measures may be imposed in other sectors covered by the agreement only when it would be impractical or ineffective to suspend such benefits or impose such measures.

It is strictly limited those sectors covered by the agreement. So there is no problem.

Mr. Michel Gauthier (Roberval, BQ): No, Mr. Speaker, there are no problems. There are never any problems with the federal government. The minister has just told us that the journalist misunderstood. Yet, I quoted Mr. Knox's statement verbatim.

You know, if we are to believe the Minister of Industry, the opposition never understands, the opposition's legal advisers do not understand, and the same goes for Mr. Knox and the journalist. According to him, nobody ever understands anything, except him.

Mr. Loubier: He is the only one who understands.

Some hon. members: Hear, hear.

Mr. Gauthier: He is the only one who is marching in step.

• (1120)

I will ask him a third question and I hope that, this time, we will agree on a possible answer. How can the provinces trust the federal government when none other than the senior strategic adviser with the Internal Trade Secretariat, John Richardson, admitted that the bill goes further than the agreement? That is what Mr. Richardson himself said.

How can we trust a partner who, at the first opportunity, betrays his signature and clearly exceeds the terms of an agreement?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, let me again try to explain to the hon. member. The provisions of the bill are limited by the agreement on internal trade. That is the case in the wording of clause 9 of the bill. It is the same wording as applies in the implementing legislation for the World Trade Organization and NAFTA. It is normal wording.

The agreement limits very specifically the occasions when the federal government is involved in a dispute resolution. Most of the agreement on internal trade has to do with regulating disputes between provinces. Only in the rare case where a company is discriminated against because of its federal status or because it is federally regulated would the federal government be involved in the process of dispute resolution which starts first

with consultation, second with the appointment of a panel, and then the resolution of the dispute by the panel.

If the dispute were resolved in favour of the federal government, if the province refused to take the measures that were dictated by the panel, if a year passed without that happening and further consultation did not occur, then possibly the federal government could withhold benefits in the sectors concerned with the dispute or the sectors involved in the agreement on internal trade.

This does not at all pertain to the issues of health and social transfers raised by the hon. member in his first question. It is ridiculous.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, my question is for the Minister of Industry. The Canadian provinces and the federal government agreed on the terms of an agreement on interprovincial trade. The federal government is now using Bill C–88 to give itself powers that were never discussed during negotiations or when the agreement was signed.

How does the Minister of Industry, who claims to be co–operating with the provinces, to be a reliable partner and to act openly, explain that at no time was the Quebec government, or the Ontario government, for that matter, ever consulted on Bill C–88?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member is wrong. The ministers responsible for internal trade met in Calgary a few weeks ago. Together with the other ministers responsible, I announced at the time that this bill would be tabled in the House of Commons after the Easter break.

I repeat that there is nothing in the bill, that it is simply not possible for the bill to contain provisions that go further than the agreement itself. It is certainly possible for us to implement the internal trade agreement, to table in the House of Commons a bill applying only to the measures included in the agreement without going any further.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, once again, we did not get it. Why is it that the Minister of Industry is the only one who understands? We have been told that he is the only one who does understand.

How can the Minister of Industry continue to claim that Bill C–88 complies with the Agreement on Internal Trade, considering that the two senior officials responsible for its implementation maintain that the legislation goes beyond the scope of the agreement?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I can do no more than refer the member to the bill and ask him to read its terms so that he can see the provision about which he complains states:

> For the purpose of suspending benefits or imposing retaliatory measures of equivalent effect against a province pursuant to Article 1710 of the Agreement,

• (1125)

The provisions of the bill are limited by the agreement. I regret that words spoken by officials were taken out of context and misquoted, I might add, by a journalist. I am sure it has never happened to the hon. member. I would like to emphasize the importance of reading the bill before the House.

* * *

HUGHES AIRCRAFT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, Hughes Aircraft of Canada received a government contract to modernize our air traffic control system at a cost of almost $420 million. The system is already 15 months late and now we have learned that Hughes is looking for as much as $400 million more of taxpayers' money to complete the job.

The Minister of Transport expressed his dissatisfaction with the delay and said that there would be a limit to the amount of money the government was willing to add to the contract. The government should not add anything to the deal. It was a fixed price contract and Hughes should deliver.

My question is for the Minister of Transport. Will he assure Canadians that not one more dime of public money will be given to Hughes Aircraft?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as I indicated in response to a question yesterday, the government is very concerned about the matter to which my hon. friend refers. We are in the process of negotiations now with Hughes.

The system should become a very important element in the air navigation system for Canada. We have serious reservations about the way the project has been managed and the problems to which my friend refers in terms of delivery and cost.

I do not want to prejudice the negotiations by doing it in public, but I want to assure my hon. friend that we are very sensitive to the potential for cost overruns. We want to make sure the system functions well. We will do everything in our power to try to protect the interests of Canadian taxpayers in the matter.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, Hughes officials informed top level officials of Transport Canada last month that they could not meet the terms of the

original contract but were willing to deliver a scaled down version for an extra $150 million.

The Minister of Transport, however, told the House that Hughes officials had assured him the project was on target and within budget. This makes me wonder whether or not the government would have quietly given Hughes more money if the deal had not been made public.

When did the government learn of Hughes' inability to meet the original terms of the contract and why was the House not informed of this serious matter?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I regret the implication in the hon. member's question that somehow we have been remiss in responding to the problems.

As I indicated in my response yesterday, immediately that I became aware there was a problem with the contract I not only advised the deputy minister of my concerns but I also advised the Auditor General of Canada and asked him to look into it.

Further, my reference to the comfort that we received from Hughes with respect to delivery on time and the cost provisions I said was made several months ago, quite some time ago in a meeting in my office with the principal officers of the company responsible for delivering on the contract. They had assured me at that time that the difficulties had been overcome and they were confident of being able to meet the terms of the contract.

I want to say in fairness to all the parties involved that these types of very complex and technological contracts often are subject to some change and modification as the technology evolves. However this particular situation is unacceptable to the Government of Canada and we intend to protect the interests of Canadian taxpayers to the extent we can.

I know the hon. member is very fond of contracts being honoured in view of his support for the Pearson airport contract.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I just love it that the minister raised the question of my favourite subject.

The government has been quite willing to cancel contracts including those with Andersen Consulting, Micronav International, and, yes, the Pearson airport contract.

Hughes Aircraft has only delivered a meagre 10 per cent of its promised contract. Now it states that it cannot meet the original terms of the deal and will only produce a scaled down version of the air traffic control system if it gets more public money.

I have a supplementary question. Why will the government not cancel the Hughes contract immediately? Not one more cent of Canadian money should be wasted.

• (1130)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, those who are following the Pearson saga will know the hon. member was quoted in a major article this week as having succumbed to the arguments of those who keep whispering in his ear about the propriety of the Pearson contract, and he now supports it. Who knows, given a couple of weeks he could even come around and support the Hughes contract.

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[*Translation*]

PEACEKEEPERS

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

A few weeks ago, the government announced that there would be an inquiry to shed light on the behaviour of Canadian peacekeepers in Somalia.

This morning, we learned that, on the advice of his lawyers, the Minister of National Defence has ordered that no document relating to the inquiry is to be made available to the media and the public under the Access to Information Act.

How does the Deputy Prime Minister explain her government's refusal to give access to the documents which relate to the inquiry on the behaviour of Canadian soldiers in Somalia?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, a recommendation was made by the Judge Advocate General. The government has yet to make a decision in that respect.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I hope that decision will not take as long as the setting up of a board of inquiry.

How does the Deputy Prime Minister reconcile this refusal to give access to information with the government's claim that it wants to shed light on the events which took place in Somalia? What is the government trying to hide by acting in this way?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I want to repeat it in case the member did not get it the first time.

The Judge Advocate General has made a recommendation about the issue of access to information. There has been some discussion among the commissioners, including former journalist Peter Desbarats who is of the public view that further informal links of information may put the inquiry in some difficulty.

We are at the moment examining the issue and we have not made a decision. We obviously want the inquiry into the Conservative handling of the Somalia affair to be as thorough and as public as possible. We do not want it to turn into an O. J. Simpson style circus. We will do everything we can to make sure public access to all information is available to everyone.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I listened with interest to the Deputy Prime Minister's statement in response to the Bloc's question. I listened carefully and it is not adequate for me.

In my opinion the Canadian public is entitled to the information, and the democratic process is being violated by this blocking of the Access to Information Act.

If we consider the continued refusal to release information at the request of the commissioners we understand were appointed to conduct the inquiry, can the Deputy Prime Minister explain in simple terms why she believes Canadians' right to this information can be subverted in this way?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the member obviously prepared his question before he listened to my previous answer.

My previous answer was quite clear. There is a recommendation by the Judge Advocate General on the issue of information. We have not made a decision on that recommendation.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the Judge Advocate General is not the be all and end all of the legal process in Canada. He may be for the Department of National Defence but he is not for Canadians at large.

I ask the Deputy Prime Minister to rethink the answer, leaving out the Judge Advocate General and including someone else in authority.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I do not know how I can be more clear.

There has been a recommendation made by the Judge Advocate General. The government has not as yet made a decision about that recommendation.

We will very shortly obviously review the views of the commissioners, some of whom have concern about the possibility of tandem inquiries taking place, a la O. J. Simpson.

* * *

[*Translation*]

CANADIAN NATIONAL RAILWAYS

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Transport.

Over the years, Canadians and Quebecers have invested billions of dollars to develop and maintain Canada's railway system in the past century. Now the government is getting ready to privatize Canadian National without guaranteeing Canadian ownership.

• (1135)

How does the Minister of Transport justify the fact that his proposed privatization of CN contains no restriction on foreign ownership and thus no guarantee that CN will remain under Canadian control?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I intend to present a bill at the end of question period. It would not be appropriate for me to comment on the hon. member's question before we table the bill.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I will talk about this bill anyway because I feel it is very important.

An hon. member: It has not even been tabled yet.

Mr. Bellehumeur: Mr. Speaker, my second question is a supplementary that I would urge the minister to answer this time.

Does the Minister of Transport not agree that limiting to 15 per cent, under this bill, the number of CN shares that an individual or group may own does not seem to do much to protect the substantial financial contribution the taxpayers of Quebec and Canada have made over the years to CN's development? If he has no objections, I would like him to explain.

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, with all due respect, if anybody should be embarrassed in here it is the hon. member who has betrayed a confidence of the House.

We were kind enough to provide for a lock–up to discuss legislation that would be brought before all my colleagues in the House at the same time. I thank the members of the Reform Party for their honour and integrity to respect those arrangements.

I deplore that a member who was given a privilege of this nature would abuse it in the way the member just has.

* * *

PUBLIC SERVICE

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Minister responsible for Public Service Renewal.

Workers who have been declared surplus deserve the first crack at any job they can seize in the public service. Last year a regional director in the Department of Health cancelled a job competition in order to hire someone he knew personally under an employment equity program called "Options".

Surplus employees watched helplessly as their applications were ignored in favour of an employment equity application.

We have been assured the best qualified persons are allowed to compete for jobs in the public service. Are employment equity programs being used to bypass this important principle?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, no. Our equity programs are not there to create the type of result mentioned.

I can only reaffirm we use the merit principle in the public service as our basic principle. I will investigate the facts of the case mentioned to see if they fit with our principles.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I will give a few more facts. The person who was hired for the job happens to be the daughter of the regional director of the Department of Health. Not only was employment equity used to bypass the merit principle but apparently it was also used to hire a close relative.

Any program that does not demand the hiring of the best qualified is open to manipulation. The government plans to expand employment equity programs throughout the public service. The people of Canada do not want that; the public service does not want that and surplus employees certainly deserve a lot better.

Why does the government not cancel this program right now?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, even if the facts of the case are as indicated, and we will check on it, this would not be a reason to cancel the employment equity principle.

It is a principle that we basically believe which permits all Canadians, whatever their origin, colour or religion, to have the same treatment in the public service. It is fundamental to a well functioning government and a well functioning society. We will keep it as the basis for our public service.

* * *

[*Translation*]

WORKING LANGUAGE IN THE PUBLIC SERVICE

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

Last week, the President of the Treasury Board refused in this House to answer a question on the working language of federal employees, preferring to talk about the services provided to the public instead. This week, a report released by the Commissioner of Official Languages shows that only 44 per cent of francophone federal employees in the Ottawa–Hull area are able to work in French most of the time, when they are not dealing with public inquiries.

How can the Deputy Prime Minister not see in the fact that only 44 per cent of francophone federal employees in the national capital region are able to work in French a bitter failure of institutional bilingualism?

• (1140)

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, on behalf of the President of the Treasury Board, I can assure my hon. colleague that the President of the Treasury Board and the government are doing all they can to make sure that bilingualism policies are enforced.

On the specifics of her question, the President of the Treasury Board will be able to provide an answer as soon as he returns to the House.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the Commissioner of Official Languages also confirmed that the French language is almost never used in written communications between public servants in the national capital region. I would like the parliamentary secretary to enlighten me on that as well.

How can he tolerate the fact that, in the federal capital, only one French speaking employee out of ten is allowed to write in French?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I can only repeat that, upon his return, the President of the Treasury Board will be able to provide an appropriate answer to the hon. member's question.

* * *

THE ENVIRONMENT

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, my question is for the Deputy Prime Minister and Minister of the Environment.

[*English*]

Last week before the House committee on environment and sustainable development, Canada's Wildlife Service and various groups including the Canadian Museum of Nature, the Grand Council of Crees in Quebec, the Canadian Nature Federation, the Porcupine caribou herd management board and the Sierra Legal Defence Fund made representations detailing the impact human actions have on the lives and habitat of wildlife and many species of flora.

Can the minister indicate when her legislation to protect the endangered species of wildlife and flora will be introduced into the House?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I thank the hon. member for the question.

I certainly thank the endangered species coalition which has not only encouraged the federal government to introduce framework legislation but has also encouraged at least four provinces that previously did not have endangered species legislation to proceed with their own legislation.

Quebec currently has legislation. There are other provinces coming on board. We hope to have plain language legislation ready for tabling in June, followed by a formalized legislative bill in September.

* * *

MMT

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, the Minister of the Environment is moving ahead with her plans to ban MMT, a gasoline additive.

The minister will not use federal environmental laws to ban the substance because she cannot. There is no independent evidence to prove MMT harms Canadians, the environment or cars in Canada. If the minister bans MMT without environmental laws she will likely find herself defending the ban under the laws governing free trade.

Considering the legal difficulties of an arbitrary ban of MMT, why is the minister still moving ahead with the ban?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the United States Environmental Protection Agency banned MMT in 1977. Since that time the Ethyl Corporation has consistently tried to turn around the ban by court case after court case, which has and continues to fail.

I advise the hon. member that last week when I had the opportunity of speaking with Carol Browner, head of the EPA, she reaffirmed the U.S. commitment not to allow MMT. She decried the fact that there is only one country, Canada, that still allows MMT. We intend to change that.

Instead of being the mouthpiece for a particular industry, the hon. member should be concerned that Canadians across the country run the risk of having to pay $3,000 more for their automobiles next year if we do not get MMT out of gasoline.

We intend to do so. We intend to show the leadership the previous government did not show. Canadians will be happy with the result.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, the Reform Party supports curtailing toxic substances but only on the basis of reliable evidence. We do not choose sides in this matter. We just want some proof. The minister appears to be deciding for political reasons rather than science.

How can the minister support an arbitrary ban of MMT without impartial evidence and especially without the support of the Minister of Natural Resources?

• (1145)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I would point out that any cabinet decision to move on MMT is supported by all ministers of the government. I would further point out that if the member is looking for evidence, he can look at the evidence which was tabled before the environment department by Chrysler, Ford and GM. All of them have suggested that at the moment the failure rate for Canadian spark plugs is 17 times higher than that of the United States because we have MMT and it does not.

If this member is not interested in protecting Canadian consumers and cleaning up Canadian air, this government is, and collectively we are going to do that.

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[*Translation*]

2005 WORLD FAIR

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the heritage minister.

For several weeks, residents of Hull and Ottawa have been waiting with baited breath for Cabinet to decide which city shall be selected to bid for the 2005 World Fair. In its report, a committee set up by the heritage minister recently recommended Calgary as the host city for this event.

How can the heritage minister explain this long delay in processing applications by Calgary and the federal capital and when will a cabinet decision finally be announced concerning the selection of one city as a potential host for Expo 2005?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I thank my colleague for his question. It is, indeed, an important question. We are in the process of reviewing Canada's participation in a major world fair. Consultations have to be conducted and that is what I am doing in conjunction with my colleagues. I hope that we will have an announcement to make very soon.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, given the fact that more than a third of the 45,000 public service jobs that will be cut as a result of the budget are in the federal capital region and that, according to the report tabled by his committee, this region would receive greater support than Calgary both in Canada and abroad, does the minister not agree

that the federal capital should be the logical and unanimous choice of cabinet?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I see that our colleague has a message for us, and I take good note of it.

* * *

[*English*]

THE ECONOMY

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, we should not yet panic about the unfortunate but strong and distinct signs of economic slowdown. However, we should be prepared for it to continue since Canada's record high real interest rates are sure to keep consumers from buying cars, homes and other durables.

My question for the Minister of Finance is how much economic slowdown and resultant reduced tax revenues can Canada take before the contingency reserve in his budget is exhausted and he will miss the deficit target he has vowed to meet?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, the hon. member has made some interesting points.

I point out to him however that our interest rate levels are below the levels that were in the budget. Economic growth is running in the first two months of this year at about 5 per cent above last year's numbers. Our deficit numbers are very much on target. The contingency reserves are not in any sense endangered by the present economic slowdown.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I do not believe this slowdown was in any of the models. It had never been put into the forecast about economic growth in the future. It comes as a total surprise.

The coming economic slowdown will cause higher unemployment. This will surely cause members of the Liberal cabinet and caucus to increase their resistance to spending cuts, cuts which they could not get themselves to approve during last year's boom.

Given the likely political resistance to essential spending cuts, will the minister support Reform's proposed balanced budget legislation which has been used in many other jurisdictions to protect taxpayers from shortsighted and selfish actions of politicians?

• (1150)

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, it is quite possible for the hon. member to gather economic statistics that are negative. However, there are a lot of positive things as well.

The member talks about slowing employment. Let me remind him that over the last 12 months 338,000 new jobs have been created in this country. The rate of GDP has been expanding. Exports were up 25 per cent in the first part of this year. Our deficit numbers for last year came in well below our target numbers.

If the hon. member's question was whether or not we would support his balanced budget amendment, the answer is no.

* * *

[*Translation*]

JOB CREATION

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, my question is for the Secretary of State for Training and Youth. Recently, the Minister of Human Resources Development created a human resources investment fund in order to focus on employment priorities. In addition, 11 pilot projects directly related to job creation and the human resources investment fund were recently launched in Quebec.

Can the Secretary of State tell us about the objectives of the investment fund and about the link between the 11 pilot projects and this revolutionary investment fund?

[*English*]

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, I would like to thank the member for Outremont for making the announcement in Quebec several weeks ago.

We are putting in place 70 pilot projects across Canada, 11 of which are in Quebec. These are new, innovative CECs that will deliver a simplified and more flexible set of re–employment measures. This is an indication of where this government wants to go with the new human resources investment fund.

* * *

[*Translation*]

POSTAL SERVICES

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. In the last budget, the Minister of Finance announced an 8 per cent cut, over a three year period, to the postal program designed to subsidize the distribution of magazines and publications in Quebec and in Canada.

How does the Minister of Canadian Heritage explain that his officials indicated to Canadian publishers that the cut affecting the postal program was 24 per cent over 13 months, instead of 8 per cent over three years, as announced in the budget?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I will check with my officials. This is obviously a very important issue for the magazine industry. As I

said before in this House, we are considering ways of changing the financial support we give that industry in order to ensure that it continues to flourish.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, one change is the fact that the program had a budget of $220 million in 1990, compared to $77 million this year. How can the Minister of Canadian Heritage, who claims to be the protector of the Canadian publishing industry, justify such drastic cuts to a program so vital for publishers?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member should realize that we are in a period of fiscal austerity. Obviously, the fiscal restraint announced in the budget will have consequences. However, as I just said, we are currently looking at ways of readjusting our programs to avoid any adverse effect on that important industry.

* * *

[*English*]

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, it is official. We have received a memo from OHIP stating that as of this April the federal government and not the provincial health plan will be paying for the costs of any health services consumed by people who are applying for refugee status, including I presume those refugee claimants with AIDS.

My question is for the Minister of Health. How is it that the federal government can afford to pick up the tab for tens of thousands of refugee claimants while simultaneously cutting funding for Canadians?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, for a long time we have heard the opinions of the Reform Party with regard to refugees and immigrants to Canada.

• (1155)

This government believes in health care for all Canadians. We believe in health care for people who come to this country. We do not cut people off and leave them to be sick in the streets.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, because of Canada's bizarre appeal system for failed refugee claimants, many stay in the system for years without determination. By not funding health care for these people, Ontario expects to save an incredible $32 million which the federal government will now have to pay.

I ask the minister of immigration when will the government put Canadians first and reconsider the provision of expensive medical services for failed refugee claimants who are filing appeal after appeal just to avoid legal deportation?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the minister of immigration has announced a number of reforms to the immigration system. We have announced a number of changes to the Immigration and Refugee Board. It is a shame that the hon. member cannot see his way clear from time to time to support these changes and reforms, as well as to support such bills as Bill C-41.

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CN RAIL

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is for the Deputy Prime Minister.

Today we learned of another astonishing initiative taken by this government, the privatization of CN and as we learned earlier presumably with no limit on foreign ownership.

When we consider this alongside the abandoning of the Crow rate, the reduced support for health care, post-secondary education, social programs, cultural programs and I could go on, this government is beginning to make Brian Mulroney's Tories look very good.

When we look at what this government has done over the last 18 months, what is it that is Liberal about this Liberal government?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I regret that the hon. member's rose coloured glasses are not working today.

Many of the initiatives which have been undertaken by the department for which I am responsible have been very well received. I am astounded that the hon. member does not recognize the tremendous support in his province, for example, for the policies on international air routes and the bilateral agreements with the United States.

When the merger talks went on with Canadian Pacific and the offer from Canadian Pacific to buy the assets of CN in the east, everyone in the west wanted to make sure we had a national, viable, transcontinental railroad. That is what the purpose of all of this legislation will be: to make sure we have a strong railroad network in this country. That certainly is Liberal policy.

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UNDERGROUND ECONOMY

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, on May 17 this House will debate a motion which recommends that we develop and pursue new initiatives to deal with the serious problems related to the underground economy. While the size of the underground economy is not certain, most agree that it is significant enough that we should pursue all reasonable steps to break the back of the underground economy.

My question is for the Minister of National Revenue. Given the broad concern that many Canadians have about the preva-

lence of the underground economy, would the minister advise the House of what commitments the government has taken to address the serious problem of the underground economy?

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, it is appropriate that in the week when people have to file their taxes a question like this should come up.

I assure the hon. member and this House that the measures undertaken three weeks after this government took office are bearing fruit. We are succeeding in reducing the scope of the underground economy through a number of measures, in particular of course with greater enforcement.

We have done this in co–operation with the provinces. We now have agreements with every province in the country. We exchange information, carry out joint orders, work with them. We have agreements with the professional and trade associations in areas of particularly high non–compliance so that we can use the industries themselves.

I can assure the hon. member that the result of this has been a very substantial increase in the revenues coming to the government. I would like to point out that in the last month for which we have figures, revenues are up over 8.5 per cent of what they were a year ago. Some of this at least is due to the underground economy initiative, although I must admit that—

The Deputy Speaker: The hon. member for Elk Island.

* * *

ETHICS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my question is for the Deputy Prime Minister.

Canadians are becoming weary of the endless, empty talk on government ethnics; all talk, no action.

• (1200)

After appointing an ethics counsellor who is completely beholden to the Prime Minister, the government is now moving to draft a code of conduct for MPs and senators, but it has decided to let MPs and senators, under the influence of lobbyists, write their own code of conduct, with no input from regular Canadians. That sounds somewhat like putting Mr. Fox and Mr. Weasel in charge of chicken coop security.

Can the Deputy Prime Minister please tell the House how this obvious conflict of interest is going to enhance public trust of government?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I suggest that the hon. member should read the motion before the House. The motion provides for a committee that will be in a position to take evidence from people right across the country and to incorporate those views into its recommendations.

Furthermore, when the hon. member speaks of foxes and weasels, I hope he is not looking at himself in the mirror.

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[Translation]

QUEBEC CITY BRIDGE

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is directed to the Minister of Transport. For many years, the federal government has been very negligent about maintaining the Quebec City bridge, which has led to major deterioration of the structure as a result of rust, so that today, repairs are necessary that will cost an estimated $40 million. Two years ago, the government turned the bridge and responsibility for its maintenance over to Canadian National.

Considering that the federal government is about to privatize CN, does the Minister of Transport intend to include in the appropriate legislation a provision that the potential buyer will be responsible for maintenance of the Quebec City bridge?

Hon. Douglas Young (Minister of Transport, Lib.): Yes, Mr. Speaker.

* * *

PRESENCE IN GALLERY

The Deputy Speaker: Hon. members, I would like draw your attention to the presence in our gallery of Jacques Bihozagara, Rwanda's Minister of Rehabilitation and Social Reintegration.

Some hon. members: Hear, hear.

* * *

[English]

POINT OF ORDER

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, yesterday, following question period, my colleague for Kindersley—Lloydminister rose on a point of order about the issue of sexual abuse of children on a reserve in Quebec.

When my colleague raised the point yesterday he was referring to the derisive and flippant reaction of government members to a question dealing with the serious issue of sexual abuse. However, the Speaker's ruling interpreted our point of order as being critical of the parliamentary secretary's use of language.

On behalf of my colleague, I want to assure the House that at no time we were referring to the fact that the parliamentary secretary was speaking in Inuktitut. We recognize his right to express himself in his native language.

We feel that the Speaker's interpretation—

The Deputy Speaker: I am reminded that the matter was dealt with yesterday and that really none of us should be raising it today. I thank the member for his submission.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 60 petitions.

* * *

COMMITTEES OF THE HOUSE

HUMAN RESOURCES DEVELOPMENT

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, I have the honour to present the report of the Standing Committee on Human Resources Development, the report of the committee on disability issues of the Canada Pension Plan Advisory Board.

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[*Translation*]

CN COMMERCIALIZATION ACT

Hon. Douglas Young (Minister of Transport, Lib.) moved for leave to introduce Bill C–89, an act to provide for the continuance of the Canadian National Railway Company under the Canada Business Corporation Act and for the issuance and sale of shares of the Company to the public.

(Motions deemed adopted, bill read the first time and printed.)

• (1205)

Mr. Young: Mr. Speaker, I would like to inform the House that I intend to move for referral of the bill to a committee, before second reading, pursuant to Standing Order 73(1).

* * *

[*English*]

PETITIONS

BILL C–240

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I would like to present two petitions to this House today, which will add to the over 10,000 names of people who are calling for changes to be made to the Corrections and Conditional Release Act and the Criminal Code to allow dangerous offender applications to be made just prior to the expiration of an offender's sentence, and then if the court accepts the application the court could issue an order for continued detention or supervision of the offender.

This petition is in support of private member's Bill C–240, which is asking for changes to the Corrections and Conditional Release Act and the Criminal Code.

I would like to add another 900 names to the list of over 10,000 people who are asking for these changes.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition from the Calgary, Alberta, area of Canada, which is signed by a number of petitioners.

The petitioners would like to draw to the attention of the House that managing the family home and caring for pre–school children is an honourable profession, which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to pre–school children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for pre–school children, the disabled, the chronically ill or the aged.

GUN CONTROL

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I am honoured to rise in the House to present a petition signed by 295 people from the riding of Cariboo—Chilcotin, other areas of British Columbia, and even one from Alberta.

All who signed the petition are of the opinion that existing controls on law–abiding responsible firearms owners are more than enough to ensure public safety. They therefore call upon Parliament to support laws that will severely punish all violent criminals who use weapons in the commission of a crime; support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own and use recreational firearms; and support legislation that will repeal or modify existing gun control laws, which have not improved public safety or have proven not to be cost effective or have proven to be overly complex so as to be ineffective or unenforceable.

CANADIAN ARMED FORCES

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, pursuant to Standing Order 36, it is my privilege to rise to present petitions on behalf of many Canadians who ask that Parliament, at the earliest possible time, initiate a wide–ranging public inquiry into the Canadian Armed Forces, including the reserves, which will investigate, report, and make recommendations on

all matters affecting its operations, taskings, resources, effectiveness, morale, and welfare.

SEXUAL ORIENTATION

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, pursuant to Standing Order 36, I would like to present to the House a petition signed by 66 Canadians who live in the riding of Ottawa South.

The petitioners call upon Parliament to oppose any amendments to the Canadian Charter of Rights and Freedoms and the Canadian Human Rights Act that provide for the inclusion of the phrase "sexual orientation".

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure of presenting two petitions to the House, which call upon Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize full equality of same–sex relationships in federal law.

ASSISTED SUICIDE

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure of presenting three petitions today.

The first petition requests Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

• (1210)

SEXUAL ORIENTATION

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, the other petition requests that Parliament not amend the human rights code, the Canadian Human Rights Act, or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same–sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase "sexual orientation".

RIGHTS OF THE UNBORN

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, the last petition requests that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

CANADIAN ARMED FORCES

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I am honoured to present a petition on behalf of many residents of Ontario in which they note that morale in the Canadian forces is in decline. They note the disbanding of the Canadian Airborne Regiment and other negative factors having bearing.

Therefore, they request that Parliament at the earliest time initiate a wide–ranging public inquiry, replacing many that are being convened piecemeal, into the Canadian Armed Forces, which would investigate, report, and make recommendations on all matters affecting its operations: tasking, resources, effectiveness, morale, and welfare.

GUN CONTROL

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, it is my duty to present a petition signed by 25 people, mainly from the city of Calgary.

These citizens request that Parliament support laws that will severely punish all violent criminals who use weapons in the commission of a crime; support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own and use recreational firearms; and support legislation that will repeal and modify existing gun control laws, which have not improved public safety or have proven not to be cost–effective or have proven to be overly complex so as to be ineffective or unenforceable.

SEXUAL ORIENTATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I wish to present four petitions today.

The first group of petitioners requests that the Government of Canada not amend the Canadian Human Rights Act to include the phrase "sexual orientation". The petitioners are concerned about including the undefined phrase "sexual orientation" in the Canadian Human Rights Act. Refusing to define this statement leaves interpretation open to the courts, a very dangerous precedent to set. Parliament has a responsibility to Canadians to ensure that legislation cannot be misinterpreted.

ABORTION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition is on the subject of abortion.

The petitioners request that Parliament reconsider amendments to the Criminal Code so as to extend protection to the unborn child.

ALCOHOL

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third petition concerns the use of a legal defence that has become known as the drunk defence.

The petitioners believe that in committing the act of choosing to consume alcohol, the individual must accept all responsibilities for their actions while under the influence.

PAROLE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the final petition I wish to present is on behalf of the constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences. The petitioners pray that our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

[*Translation*]

VOICE MAIL

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I am honoured to table a petition under Standing Order 36. This petition has been signed by individuals and Organizations in the riding of Berthier—Montcalm, and deals with voice mail systems installed by various departments.

Of course, the 500 or 600 individuals who signed this 33 page petition are totaly opposed to voice mail, and ask that the Government step in to humanize the departments, which have a very cool attitude toward them.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr Speaker, today we will answer Questions Nos. 138, 152, and 153.

[*Text*]

Question No. 138—**Mr. Breitkreuz (Yorkton—Melville):**

How many crimes have been solved as a result of the current handgun registration system, and more specifically what number of (*a*) found, recovered or seized restricted weapons were traced to their registered owners, (*b*) registered owners of restricted weapons have been charged with a firearms related offence as a result of the restricted weapon being traced to them through the registration system, (*c*) restricted weapon registrations were revoked as a consequence of the registered owner being convicted of a criminal offence involving violence towards another person, (*d*) restricted weapon registrations have been revoked as a consequence of the attempted suicide by the registered owner or by another occupant of the household where the restricted weapon is stored, and (*e*) restricted weapons have been used by the registered owner or other occupant of the household in homicides, suicides, and other firearms related crimes?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): No national data are available for question parts (a) through (e). Although it would be very useful for policy making purposes, police have no standard form for reporting this information. To provide national statistics under the present system would be administratively impractical.

The Canadian Association of Chiefs of Police has recommended the government establish a system for the registration of all guns because it will assist criminal investigations.

A universal registration system will also support the production of new national statistics. The architects of the system are addressing the feasibility of collecting data on the extent to which the system will assist law enforcement efforts.

Question No. 152—**Mr. Mayfield:**

In regard to the authors' meeting sponsored by the Department of Citizenship and Immigration last January 6 and 7 in Vancouver, (*a*) which officials from the government were present and what were their positions, (*b*) provide names of the authors involved and their province of residence, (*c*) how much was spent on this meeting and (*d*) provide an itemized breakdown of how this money was spent?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): The government officials who attended the meeting in Vancouver on January 6 and 7 are as follows:

Robert Blackburn, assistant deputy minister, policy sector; Cameron Dawson, director, citizenship and integration policy division; Richard Nolan, registrar of Canadian citizenship; Sandra Souchotte, acting director, promotion and corporate identity public affairs branch; Naheed Israeli, senior policy advisor, citizenship and integration policy division.

Their level of knowledge of the dossier and their collective responsibility for the eventual advice to the government meant these were the most appropriate officials to work with the writers and to brief them on the many considerations involved in the development of a draft oath of citizenship and a strategy for a citizenship declaration.

The names of the authors and their province of residence are as follows:

Arlette Cousture, Québec; John Gray, British Columbia; Joy Kogawa, British Columbia; Simon Langlois, Québec; Susan Musgrave, Ontario; Nino Ricci, Ontario; Paul Savoie, Ontario; Alain Stanké, Québec; Wilbur Sutherland, Ontario; Rudy Wiebe, Alberta.

Seventeen thousand dollars was spent on this meeting, excluding the participation of the registrar of Canadian citizenship and the public affairs representatives, the cost for which came out of their respective operating budgets.

The following is an itemized breakdown of expenditures. Category amounts are approximate:

Air fare:	$9,500.00
Accomodation/meals:	$5,250,00
Facilities (room rental/supplies):	$1,250.00
Misc. (taxis, incidentals):	$1,000.00
Total:	$17,000.00

Question No. 153—**Mr. Mayfield:**

In the wake of the authors' meeting sponsored by the Department of Citizenship and Immigration last January 6 and 7 in Vancouver, (*a*) have any further meetings of the sort been scheduled by, or discussed within the department, and (*b*) what is the size of the budget allocated by the department for these consultations on revisions to the Citizenship Act?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): No further meetings of the sort held on January 6 and 7 in Vancouver are currently scheduled. Consultations with experts are a regular part of the policy making process. Any additional meetings will be held as needed; (b), $40,000 was allocated for consultative purposes on Citizenship Act amendments, of which $17,000 has been spent.

[*English*]

INDONESIA

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, I am pleased to rise today to present a petition signed by numerous residents, many from Kingston, but others from other parts of Canada, in which they call upon Parliament to support an arms embargo against Indonesia. They call upon the Indonesian government to free all political prisoners and end Canadian government funding for the promotion of trade with Indonesia in light of that country's flagrant human rights abuses against the East Timorese.

[*Translation*]

Mr. Milliken: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Deputy Speaker: Is that Agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1215)

[*Translation*]

LOBBYISTS REGISTRATION ACT

The House resumed consideration of the motion.

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, in closing, I pointed out that Bill C-43 reassured no one. I said that the Liberals should have a "best before" label, a bit like dairy products. They were better before they came to power, better before the elections, better before they lined up at the trough. The fine principles they defended in opposition have evaporated.

I could explain at length the many shortcomings of Bill C-43. My colleague for Berthier—Montcalm has already done so amply. As we are short of time, I will raise two flagrant examples of this change taking place in the Liberal family.

First, the appointment of the ethics counsellor. With great pomp, as usual, the Liberals across from us announced the appointment of an ethics counsellor to advise ministers and government officials and to examine the need to amend the legislation.

These fine principles will not go far, however, if this counsellor is not given some independence from the Prime Minister and his government. Do not forget that the Prime Minister appoints the ethics counsellor, consults him when he sees fit and allows him to make public statements only when they are to his political advantage.

A true ethics counsellor would be accountable to the representatives of the people. All of the counsellor's decisions should be made public. He should have the power to launch investigations and have enforcement powers. Bill C-43 does none of the above. It merely gives the illusion that someone is ensuring that decisions are made ethically, while in reality, the role amounts to nothing.

We are giving the Prime Minister the right to appoint an ethics counsellor, to consult the latter when he feels like it and to keep the counsellor's advice secret unless he decides otherwise. They will have to think of something else if they want to restore the trust of Canadians and Quebecers in our institutions!

Scandals like the attempted privatization of the Pearson airport hit home the need for a bill on the registration of lobbyists. I will not describe in detail all of the underhanded tricks and schemes that came into play in this tainted deal. What is really important is that we remember it as a sad incident in which the government's reputation was tarnished in the eyes of the public.

As it stands, Bill C-43 could not have prevented this kind of scandal, no more than it could shed more light on the suspicious comings and goings of the current Minister of Canadian Heritage. The ethics counsellor does not have the power to set up an investigating committee to get to the bottom of it for Quebecers and Canadians.

The second shortfall of Bill C-43 on which I would like to comment concerns the categorization of lobbyists. The Bloc Quebecois wants to eliminate distinctions between different types of lobbyists. When the Liberals were in the opposition, when they were "best before", they took exactly the same view as the Bloc Quebecois: lobbyists are lobbyists and should be accountable for their actions. Since then, the Liberals reversed their position, probably under pressure from lobbyist friends and contributors to the party coffers.

And speaking of party coffers, when I look at the latest figures on funds raised by political parties in Canada, I can understand why the Liberals are so anxious to change their position on lobbyists. In 1993, the Liberal Party of Canada raised more than

$20 million in political contributions which was, needless to say, the largest amount ever collected by the Liberal Party of Canada during an election year. Last year, in 1994, the Liberals raised $9 million, the largest amount ever collected by the Liberals outside an election year. This year, the Liberals have set their fundraising objective at $10 million.

• (1220)

During the election campaign, the Liberals claimed, and this is again from the red book: "No one should be required to pay fees in order merely to arrange meetings with ministers or senior officials". However, just to give a few recent examples, last Wednesday in Montreal, the Prime Minister met 1,800 people who had each donated $400 to the Liberal Party.

Last month, the Minister of Finance invited members of the business community to a private reception at $1,500 a head, to talk about his budget, and so forth. Are we to understand that the Liberal government's message is: For access to decision makers, instead of investing in lobbies, contribute to the party coffers of the Liberal Party of Canada for a better return on your investment. It seems to be the message an increasing number of Canadians and Quebecers are hearing.

Bill C–43 does nothing to remove this impression. The Bloc Quebecois tried to give this bill some teeth by proposing at least 60 amendments. The Liberals were adamant and rejected all proposals that would have made this a bill with teeth. The obvious conclusion is that for Quebecers, their only hope for more democratic and more transparent institutions lies in sovereignty. Through its bill on political party financing, Quebec has made an important contribution to the resolution of this important ethical matter.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, it is with pleasure that I rise to participate in the debate at third reading on Bill C–43, an act to amend the Lobbyists Registration Act. I say with pleasure but also with a certain weariness, because the first speeches I delivered in this House more than a year ago dealt with the privatization of Pearson airport by the previous government. In that speech, I denounced the dubious transactions involving people close to both Tory and Liberal political circles.

Bloc members who spoke up at the time called for the supervision, clarification and regulation of lobbyists' activities in Canada. Reading the bill now before us, I realize that the main demands made by Bloc speakers, the main conditions we wanted to set in order to shed light, once and for all, on lobbyists' activities in Canada, have not been met.

Although we may deplore the fact that lobbying activities take place in a government such as the Canadian government, it must be recognized that, given the financial implications—for example, the federal government signs close to 90,000 contracts every year—, some people may to try to influence the government and meet lawmakers and senior officials with decision–making powers to ensure that regulations, programs and even bills are in their best interests.

Although we understand this situation, we are surprised that this government does not understand the need to monitor the risks of influence and mismanagement so that citizens are fully aware that things are being done properly. The bill before us nonetheless contains a number of improvements. Certain members of the Liberal government now in power had denounced really unfortunate and unacceptable situations when they were in opposition and promised, notably in their red book, drastic measures to regulate the activities of lobbyists.

• (1225)

Going over this bill, one realizes that, while some improvements have been made, major amendments would have been required at committee stage to increase its efficiency in terms of its purposes and to bring it at least slightly more in line with the goals the Liberal Party had set for itself when in opposition as well as with its promises to sort things out once in power.

Many of my colleagues have already spoken on this bill, therefore I will only list a number of flaws or points that should have been corrected in order to allow us, members of the official opposition, to vote for this bill. Since these flaws were not corrected in the legislative process, it will not come as a surprise to anyone to hear me say that, like all Bloc members I think, I will be voting against this bill.

One of the main flaws of this legislation has to do with the whole ethics counsellor issue. At present, no one seems to have the authority to provide advice or guidance to politicians and government employees on certain procedures or actions which may be confusing.

The bill provides for an ethics counsellor to be appointed by the Prime Minister. I have no doubt that the Prime Minister will choose an honest and reputable person who will be able to provide enlightened advice. However, this person will have no power and, being appointed by the Prime Minister, neither will he or she have any credibility. The House of Commons, or Parliament, should appoint the ethics counsellor, so as to give that person the prestige, the authority and the protection necessary for someone who will have to provide opinions on actions, representations or projects which often involve enormous expenses for certain people.

We deplore the fact that, while the ethics counsellor will undoubtedly mean well, this person will be subject to the Prime Minister's will in terms of his appointment, and it is the Prime Minister who will govern to a great extent how the ethics counsellor executes his or her mandate.

When we reviewed the transactions surrounding the privatization of Pearson airport, we also asked that there be only one category of lobbyists. As you know, lobbying activities are conducted by various firms, groups and organizations. If someone wants to influence the government or have his or her views expressed to MPs or to some senior public officials, that person can go to a specialized agency which will do what is necessary to convey his or her views to those concerned.

However, there are also other people who lobby while working for various organizations, such as business associations, unions, and all sorts of other groups which hire permanent staff to do so. Some of these permanent employees may be involved in communications or governmental relations and make representations as lobbyists, even though they are not treated in the same way as those who belong to lobbying groups specifically involved in governmental relations. We suggested, in parliamentary committee, that there should only be one category of lobbyists, so that all those involved in the same kind of representations and have the same responsibilities, would also have the same obligations. However, the legislation provides for two categories of lobbyists.

Several other suggestions were also made. We had asked that the fees paid to companies, agencies or individuals for lobbying services be disclosed. They will not be. Lobbyists objected to that. Lobbying experts have told us that this was not possible, that it was not under federal jurisdiction, that there would be problems related to competition and non–disclosure of activities, and that it was not necessary in any case.

• (1230)

I feel it is important that Parliament and the Canadian public be aware of the amount of money involved. Whether a company hands out $2 million or just $20,000 to a government relations agency does make a difference. When huge sums are involved, people who have to watch over lobbying activities would be on the alert.

We would also have liked some clarification on the political ties of lobbyists. The media have pointed out that many former very influential politicians, political staff members and people close to decision makers easily make the transition to a new career in lobbying.

It would have been important to have some kind of registration scheme for lobbyists so that we could determine who did what, what they did subsequently, and whether they hold positions, paid or unpaid, in political organizations. If the president of a Liberal association is active in lobbying, I think the people should know.

I had more points to make to demonstrate that the bill before us is flawed. But my time is running out, and I can only express my disappointment at the lobbying problem we now have in Canada and the unwillingness of the government to keep the promises it made in the last campaign, as set out in the red book. The only legacy of that red book will be the shame of unkept promises.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, it is a pleasure for me to speak on Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other Acts, that my colleagues have already commented on extensively. I remind the House of the detailed analysis made by the member for Berthier—Montcalm. He explained the many reasons why the Bloc Quebecois would not support the bill.

Without getting into details, I will sum up the eight major flaws of this bill, as mentioned by my colleague. They concern the types of lobbyists, the requirement to disclose contracts, lobbyists' fees, the contacting of ministers and senior officials, the lobbyists' political ties, coalitions, contingency fees and, finally, the whole issue of the ethics counsellor. In fact, the Bloc Quebecois tabled 60 amendments, as my colleagues have already pointed out. They were all negatived.

The major flaw of this bill, the basic problem, is the fact that the ethics counsellor reports only to the Prime Minister. All those things that could enlighten the public will only enlighten the Prime Minister's office.

Again, as I had mentioned in the case of Pearson airport, it is like having a fox guarding the hen house. We all recall the bill to cancel the privatization of Pearson airport. It contained a clause allowing those claiming to have lost future profits to negotiate arrangements in a private meeting with the minister. That also was like asking the fox to guard the hen house.

This analysis of the bill, which was made by my colleagues much better than I could do it now, shows that the government has chosen to use smoke screen tactics in its bills. It says it will take certain actions, but the resulting bills show no sign of openness and everything will be decided by the Prime Minister's inner circle.

• (1235)

These smoke screen tactics have also been used for events that have occurred over the past 10 or 15 days, in this House, regarding two major problems surrounding Power DirecTv and Seagram.

For the benefit of our viewers, I will briefly outline the case of Power DirecTv. Last August, only two weeks after the CRTC announced its decision exempting Canadian satellite broadcasting companies from licencing requirements, the Liberal govern-

ment announced that it intended to review policies concerning direct broadcasting. A first, Mr. Speaker.

On November 29, 1994, the government decided to create a three member task force to review the CRTC decision, which ran contrary to the interests of Power DirecTv and prevented the company from going ahead with its plans; as we know, it wanted to broadcast from an American satellite, which the CRTC found unacceptable.

The task force received briefs from several groups, including Power DirecTv. On April 6, it submitted a detailed report tailor made for Power DirecTv, which is partly owned, as we know, by Power Corporation and Hughes Aircraft of Canada.

On April 26, the government adopted the report's recommendations, verbatim, and tabled two orders, telling Expressvu, a Canadian company, that it must now apply to the CRTC for a licence, thus delaying its going into operation, which was planned for September 1995. And yet, this company had simply abided by the CRTC decision. After that, the CRTC announced that the government could be liable to prosecution. Expressvu believes it has a vested right and I think that it is legally defendable.

And who is the head of Power DirecTv? André Desmarais, son–in–law of the Prime Minister and son of Paul Desmarais, CEO of Power Corporation.

This happened in the House, right here, and it was raised repeatedly during question period.

There was also the Seagram case which is just as obvious. The Minister of Canadian Heritage went incognito to Los Angeles, with two members of his staff, supposedly to meet major players in the U.S. film industry. He got there on the very day the deal to sell MCA to Seagram was signed. Seagram is a Bronfman company, and it just so happens that Paul Desmarais, the father–in–law of the Prime Minister's daughter, is a member of the board.

They say the minister was in the Bronfman suite while the deal was being signed. He denies he was aware of that transaction, which must be reviewed by the Minister of Industry. This review is necessary, it seems, in order to determine whether Seagram is a Canadian or an American company. If it is Canadian, there is no problem, and the investments are exempt from any further investigation. If it is American, Canada will protect its cultural market and will have to review several aspects of the transaction, particularly the buy–back of Canadian subsidiaries. And at that point, the minister, who just happened to be there, will have something to say on the issue.

The Minister of Canadian Heritage will have to be consulted, and there appears to be a conflict of interests.

Of course, the newspapers played the whole thing up and English Canadian newspapers wrote at length about the events surrounding that problem. I had brought here, to read it in the House, a one page article written in English that traces all the family and political ties, the people the Liberals are working for. And, at the heart of all this, we find Power Corporation in both cases.

And all the Prime Minister could say in response to the many questions, both from the Bloc and the Reform Party, is that he certainly had the right to find a good match for his daughter. We agree. But in fact, what we are finding through all this is that the government of Canada, in its agreement, has now become a branch of Power Corporation. So, it is using smoke screen tactics to explain what is actually going on in the House.

It also uses smoke screen tactics in its statements both in the House and outside of the House. For instance, when the Minister of Finance tells us in committee, with a lump in his throat, that we must absolutely tighten our belts, of course, he will tighten the belts of the poor, he will make cuts to unemployment insurance and social welfare, he will raise all the costs relating to post–secondary education, he will probably go after old age pensions, but the finance minister's ships are still sailing under a foreign flag. And then it dawns on us that those who are asking us to tighten our belts always wear suspenders.

• (1240)

The Prime Minister also makes statements in the House and outside of the House. For example, the Liberals said there were problems in Canada because of people who guzzled beer in front of their television set. But oddly enough, and these are smoke screen tactics again, they never talk about champagne drinkers slumped over in hotel lobbies, those who take advantage of tax havens to avoid paying taxes, about family trusts which they do not want to touch, or ever so slightly, if they have to.

They never talk about the hon. Peter Trudeau, who is getting a $1 million tax credit for the papers he is handing back to the government. That is welfare for the rich, Mr. Speaker. Brian Mulroney did the same thing; that too is welfare for the rich.

They hardly ever talk about Paul Tellier, the chairman of CN, who is getting a huge salary, who is having his mortgage paid off by CN at the taxpayers' expense, and who is laying everybody off.

They did talk a little about the $250,000 for new furniture spent by the Minister of Fisheries and Oceans, while cuts are being made everywhere else. The only answer we got from his department is that furniture is expensive. I was a carpenter and cabinet maker before becoming a member of Parliament, and I can tell you that for $250,000, you can get some really nice furniture.

More smoke screen tactics, when the Prime Minister himself tells us that everything is going wrong in Canada because of Quebec. I do not know how many times I have heard him say that since he has been in politics. He started that as soon as he became a politician, even before he was given a portfolio.

Yet, we realize—I have said it before, but this is worth repeating—that is was in a period of political stability, in the years following the rejection of sovereignty by the people of Quebec in 1980, that Canada experienced interest rates over 20 per cent. So that is exactly the opposite of what the Prime Minister said.

It was in 1986, also, that the Canadian dollar tumbled to 69 cents. I remind you that at that time, the Mulroney and Bourassa governments were in office. That was before Meech and Charlottetown, the Bloc Quebecois did not even exist, and the Parti Quebecois was completely out of the picture. Therefore, there is no relationship between the disastrous state of Canada's finances and the political situation in Quebec. Once again, smoke screen tactics.

You will recall another masterminded statement, the one made by the Royal Bank just before Charlottetown, where they said that if Quebecers and Canadians rejected the Charlottetown agreement, it would mean the end of the world. We said no to Charlottetown and the world did not end, but of course this was all orchestrated to scare people. This was also a case of smoke screen tactics.

Let me give you another example of these tactics. The Prime Minister said that Quebec, through its premier, is showing contempt for democracy. I think we should review a bit of our history. Who was responsible for the patriation of the Constitution in 1982? The current Prime Minister. Who was involved in the implementation of the War Measures Act in Quebec? The current Prime Minister. I like to remind people that these measures were taken to scare Quebecers.

I will not say anything more on this issue, except that we also remember the smoke screen tactics used in 1980 when some politicians told us they were betting their seats that there would be some changes. There never were any changes and now, in 1995, our political situation has not changed at all. At the time, they tried to scare us by saying that if we voted yes to sovereignty, we would be crippled with debts, taxes and unemployment.

We said yes to Canada because we wanted to be team players, and what did that get us? Debts, taxes and unemployment. The debt has gone from $90 billion to $550 billion. Unemployment is constantly on the rise. We now have 808,000 people on welfare in Quebec. All this happened within Canada.

We were told it would take us 15 years to get back on our feet. That was in 1980, and now, 15 years later, were are in it up to our necks, and things will only get worse. The *Wall Street Journal* raised openly the very real possibility that Canada would go bankrupt. All this is part of a smoke screen strategy.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I rise today to speak for the second time to Bill–43, which amends the Lobbyists Registration Act.

The first time was when the bill was at second reading and we discussed amendments hoping that we would be able to force the government to take more seriously the promises it made in the red book and also to stand by the positions it took when many of its members were in the opposition and discussed a situation identical to the one in which we find ourselves today.

• (1245)

Unfortunately, like the majority of my colleagues, I feel that I am wasting my breath. However, we are not asking the Liberal Party for anything very special. We are not asking it to attain the goals of the Bloc or the Reform Party. We are only asking it to keep the promises it made in the red book. The promise to tighten controls on lobbyists' activities and make the legislative process or the awarding of government contracts more transparent was one that should have been easy to keep. This time, the government cannot use the usual excuse that the till is empty to avoid doing what it promised to do. This promise costs nothing. The government had the power to tighten up the rules and to issue new standards of conduct. It had the unanimous support of the opposition to act but did nothing.

Where are the Liberals who clamoured against the carelessness of the Conservatives? Where are the Liberal Party hardliners? Where are the transparent and honest Liberals? They have vanished and unfortunately their words have also vanished without a trace.

Liberals have changed the meaning of the word promise. A promise is a firm commitment to do what you said you would, but for the Liberals, a promise is something you talk about but never do anything about or which you achieve in an incomplete or uncertain way. Indeed, it is becoming more and more obvious that, for the Liberal Party, there are two kinds of promises: the promise made to the people and which deals with public interest. That kind of promise is achieved only when all favourable circumstances are present but you can always find good reasons to postpone them and bring them back at election time. The second kind are the promises made to friends of the government, those who finance the slush fund. Those promises are often tied to private interests and can take the shape of bills or orders in council for the benefit of a few individuals or companies, or expensive contracts which are often overvalued and given without a real call for tenders.

In the case of Bill C–43, there were once more conflicting interests. On one side, the general public and all the people who elected the Liberal Party, that is a few million people, and on the other side, a few hundred lobbyists and the thousand or so big companies which employ them. By not keeping its red book

promises and by watering down and thus weakening this bill, the Liberal government has shown its contempt for the public interest.

The clear message that this government is sending to the backers of the Liberal Party, to former organizers and dignitaries of the party and to the friends, relatives as well as former and future associates of government members is this: everything is allowed, but would you please be very discreet. That will certainly not help restore public confidence in politicians.

The message from the government should have been that lobbyists, like any other professionals, must follow certain rules and be more transparent in their work, as promised on pages 94 and 95 of the Liberal red book. This bill is not all bad, but it does not go far enough in terms of supervising and regulating the work of lobbyists. I am not implying in any way that lobbyists are in the business of corrupting. The great majority of them do their job in a most honourable fashion. This bill should be aimed at preventing abuse and influence–peddling, not at preventing individuals and companies from dealing legitimately with the government.

In this regard, Simon Reisman, chairman of Ranger Oil Limited and star witness for the liberal government, expressed the opinion, at the hearings on the bill, that the practice of contingency fees, which will not be precluded by Bill C–43, "encourages the wrong kind of people into the business and—contingency fees perpetuate the perception of cronyism and back–door access to government insiders".

• (1250)

In another vein, I would like to remind members that in the red book, the Prime Minister committed himself to: "regulate the activities of lobbyists by appointing an Ethics Counsellor". The Bloc, like all Canadians, expected the appointment of someone who is beyond reproach who would go after people engaged in murky business. In reality, the ethics counsellor has only limited powers in spite of all the goodwill this person brings to the task. The code of conduct that the counsellor produced does not have the force of a statutory regulation, but is just so many empty words.

The ethics counsellor is not accountable before the House of Commons. The counsellor is chosen by the prime minister and is accountable to him alone. All investigations are conducted in private. Moreover, it has become clear that the prime minister does not always deem it necessary to consult his counsellor or that he consults him only after the decisions have been made or after the fact. Such a manner of proceeding is not calculated to raise public confidence in our political institutions. What we needed was a counsellor appointed by the House of Commons, having real powers and accountable to the House.

A code of conduct having the force of a set of regulations would have been appropriate, as would more stringent disclosure rules for lobbyists.

[*English*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 45(6), a recorded division on the proposed motion stands deferred until Monday, May 8 at the ordinary hour of daily adjournment.

* * *

INCOME TAX ACT

The House resumed from April 25, 1995, consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the income tax application rules and related acts, be read the second time and referred to a committee.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, in chapter one of the Liberal red ink book it clearly states: "Fairness, simplicity and harmonization should be key objectives of tax policies". Unfortunately, after a year in Ottawa this promise of fairness and simplicity is nothing more than empty campaign rhetoric.

Bill C–70 is yet another in a series of omnibus bills introduced by the Liberal Party which further complicates, convolutes and confuses the income tax system in Canada.

Most Canadians who pay income tax are unable to file their tax returns without the assistance of an accountant or tax lawyer. How has this happened? To give an idea, let me take members on a journey through Liberal income tax amendment bills which were introduced in the first year of the government's mandate.

Bill C–9, an act to amend the Income Tax Act, was first read on February 4, 1994 and consisted of 70 pages. Bill C–15, an act to revise certain income tax law amendments in terms of the revised Income Tax Act and the income tax application rules, was first read on February 23, 1994 and consisted of 670 pages. Bill C–32, an act to amend the Excise Tax Act, the Excise Act and the Income Tax Act, was first read on May 27, 1994 and

consisted of 62 pages. Bill C–27, an act to amend the Income Tax Act, the income tax application rules, the Canada pension plan, the Canada Business Corporations Act, the Excise Tax Act, the Unemployment Insurance Act and certain related acts, was first read on May 5, 1994 and consisted of 176 pages. Bill C–59, an act to amend the Income Tax Act and the income tax application rules, was first read on November 24, 1994 and consisted of 110 pages.

• (1255)

Finally, we have the bill before us today, Bill C–70, an act to amend the Income Tax Act, the income tax application rules and Related acts, which was first read on February 16 and consists of 200 pages.

The total is 1,288 pages of new amendments to the Income Tax Act.

The Reform Party believes the time has come for us to question every aspect of our system of taxation. The urgent pressures of a spiralling debt and the ever growing complexity of an out of control Income Tax Act forced us to look seriously at fundamental reform of the tax system.

A flat rated system of income tax is an important example of such a reform. The idea has been the subject of much discussion in both Canada and the United States. It is relevant and has a great deal of merit.

There have been a number of flat tax models outlined in past years. When debating Bill C–70, the hon. member for Broadview—Greenwood outlined his single tax proposal. Now I will outline ours; note the difference. His model is his model, not the Liberal model, whereas ours is a party model, not my model. The primary areas of variation between the two centre around the definition of taxable income and the application of tax rates.

Canadians are among the highest taxed citizens in the industrialized world with about 45 per cent of a family's income going to government taxes. Our deficits and debts are so high that they are squeezing money out of program spending and we are transferring it over to interest payments instead.

Increasing revenues by adding to the heavy tax burden already carried on the shoulders of Canadian citizens and businesses alike is not the solution. Raising individual taxes would increase hardships for many families.

Leaving more money in the hands of the people who earn it makes it possible for more people to provide themselves with the basic necessities of life. Forcing people to send more taxes to Ottawa and returning it to them through social assistance is a waste of time, effort and money.

Continued increases in taxation rates encourage governments to keep spending at current levels and avoid the difficult problems of dealing with the kinds of significant spending cuts that are needed.

The first stage of tax reform should be a commitment on the part of the federal government to produce balanced budgets. This could be done through a Canadian taxpayers protection act that requires deficit control and reduction by eliminating expenditures according to deficit targets, inflation, and population growth.

This legislation would not be designed to say how money is to be spent but rather to regulate how much can be spent. Its purpose would be to protect the Canadian taxpayer from being dragged into the kinds of serious debt situation we have now by irresponsible governments.

The second stage of tax reform should be a commitment to the reform of the Income Tax Act. Our overall tax burden is the second highest in the G–7 countries in recent years. High taxes stifle economic growth in every sector of society. They decrease the productivity of the private sector, leading to more unemployment. They tempt governments to keep spending at current levels instead of coming to grips with the real problems.

As I demonstrated earlier, the current system of amending the Income Tax Act is ridiculous. The Income Tax Act is already 2,091 pages. Now in this past year we have added another 1,288 pages. It is a struggle to administer, a puzzle to interpret, a nightmare for the majority of Canadians who have the courage to try to do their own tax returns. A complete overhaul of the system is required.

Furthermore, in view of our current economic dilemma, tax reform must also mean tax relief. However, we cannot give tax relief until we come to realize that we must look at spending and what levels of government should be spending money where.

The following outline for a proportional flat tax is a serious proposal that would go a long way toward solving some of our economic problems, an attempt to bring our system of taxation into the 21st century. The system must be simple, visible and fair: Simple so that everybody understands it; visible with no hidden taxes; and fair to both individuals and corporations with no loopholes, no exceptions.

As it stands, the incentives should be to reward production and leave more dollars in the hands of taxpayers and wage earners than in the pockets of government, thereby reducing the need for many governmental assistance programs. In other

words, the cost of government assistance would decrease because fewer people would need it.

As it stands now, Canada's Income Tax Act is based on three graduated rates of taxation and an extensive network of exemptions, deductions, reductions, deterrents and incentives.

• (1300)

The proportional flat tax proposal incorporates a flat tax and establishes a single rate for everyone, both individuals and corporations, with no loopholes. With a proportional element, the basic flat tax model is improved further by proportioning an individual's tax liability according to income, family size and therefore the ability to pay.

A basic level of income is tax free for all wage earners. Individuals and corporations would pay the same rate on income with a minimum of exemptions and deductions. Taxes would be used exclusively for the purposes of raising revenues to fund approved government programs, not as an instrument of economic, industrial or social policy.

The rate of taxation would therefore be determined solely on the basis of how much the government needs to provide the services that Canadians want. The rate may be in the range of 20 to 25 per cent.

The key principle of our flat tax model is that a buck is a buck. Income is defined as productive income from employment, business and investments including interest income, capital gains, pensions and dividends. Some of the areas under the definition may be debatable, whether they should be treated that way, but that is for the Canadian public to decide.

All personal income generated in any form would be taxed with no special treatment for various forms of income. The only capital gain that would not be taxed would be the one primary personal residence because this could represent a lifetime of effort over years of inflation.

The fundamental approach to corporate income would be to ensure that income is only taxed once. Depreciation is eliminated and purchases are 100 per cent deductible in the year of purchase, even if it creates a loss.

There would be one personal exemption per individual, perhaps $12,000. Lower income individuals would therefore be basically exempted from paying tax and families are granted a generous deduction.

Deductions are at levels the middle class can afford. This will result in more tax being paid by the wealthy than is now the case and leaves more disposable income in the hands of taxpayers.

A child care deduction will leave money in the hands of families to use to care for their children as they wish, whether it is at home or in day care centres. This deduction could be in the area of $5,000 for children up to age 7 and $3,000 for each child between the ages of 8 and 14.

Spousal deductions are also included, perhaps up to $6,000. A charitable deduction would be included, perhaps up to 5 per cent. The amount of RRSPs would be reduced to $6,000 annually so that higher income earners do not gain an unfair advantage and provisions would include a deduction of about $2,000 for seniors.

For businesses, we could look at what they could deduct as cost of operations or goods, services and materials, wages and benefits, interest payments and pension contributions plus dividends paid out. This is the big difference. Dividends paid out to individuals for investing in that company would be deductible to the corporation and taxable in the hands of the recipient which would end the current problem of double taxation on dividends.

GST or other forms of federal sales tax would not continue. Sales tax would be left to provincial governments to raise money for their own needs. This is one of the advantages of tax reform, looking at various levels of government and raising the money that they need at their level that could be shared.

The federal government does not have to grab all, end all and waste all. The initial objective would be to establish a tax rate that is revenue neutral to begin and is redistributed equally between individuals and corporations.

From that starting point, as we eliminate the waste in government spending, as we determine which levels of government should be responsible for which programs, as we privatize crown corporations and government gets out of the business of being in business, this rate would go down and down and down.

I acknowledge we must start at a revenue neutral base and let that work through the system over a three–year period. Some of the advantages of this system would be an even distribution of the tax load by eliminating exemptions and reductions, a lower tax rate over the current three tier graduated system, more disposable income, a broader base spread out over corporations and individuals more equally.

It might increase government revenue because corporations and higher income individuals would pay tax on everything with no exemptions, no tax shelters, thereby restoring tax expenditure costs to the government.

More government revenue could be generated because perhaps the underground economy would start to disappear. Some economists say it presently ranges from a low of $15 billion to a high of $100 billion. Nobody knows what level the transactions take on there. If we had a system of taxation where people were more willing to pay their taxes, the underground economy would

disappear and taxes would then flow into government coffers at all levels.

The fourth advantage would be equity in the system. The Liberal red book dangles that idea but it does not deliver. People with the same level of income would pay relatively the same amount of tax.

• (1305)

Another major benefit of a proportional flat tax system would be simplified tax forms. Everybody could fill out his or her own income tax form at taxation time. As politicians and parliamentarians, is that not what we are here for, to try and improve the system, try to make laws easier for people to understand and for governments to administer?

Where is the tax fairness and simplicity that the Liberals promised in their red ink book? We have bills like C–70, C–9, C–50, C–27, C–32, C–59. Next week the government is going to introduce another excise tax amendment to the Income Tax Act. All these bills put together add up to thousands and thousands of pages. The government has fallen into the same trap as previous governments. It has made the same mistake.

In the name of simplicity and fairness it continues to make the system more complicated and more inequitable. It says that by passing all these bills, it improves the system and makes it more fair and more understandable. Give me a break. Who could read all this in six months or less and understand it?

To members of the Liberal caucus here is an opportunity to stop the madness, to end the bureaucratic nightmare known as the income tax system and start moving the country toward a simple, visible, flat rate taxation system. Show some leadership. Follow the member for Broadview—Greenwood. Follow his advice. Follow our vision of a simple, visible flat taxation system. Show Canadians that omnibus bills like Bill C–70 will no longer be necessary.

The Liberals can only spin the public for so long. They can only use sophistry so long in the budgets they present every year. They can only use sophistry so long in presenting all their wonderful amendments and changes to bills before the Canadian public will realize that their clever use of words has a false and misleading conclusion and will not be accepted at election time.

Canadians will realize that if the Liberals do not do anything about it, that it is business as usual at plant Ottawa, they could be booted out just as fast as the Tories were. When the public does boot them out, the Reform Party will be waiting in the wings with a bill called Bill C–1 or C–2 or C–3. It will be a bill with a very high priority. It will be entitled an act to repeal the Income Tax Act and institute in an orderly fashion a proportional flat tax system in Canada over a three–year period.

A flat tax has further advantages in that visually it makes you feel good. I have with me a personal income tax return under the proportional flat tax system. It has three categories for gross income. It has seven elements of deductions which I defined in my speech. When the total deductions are added up and subtracted from total income, the tax is paid at whatever percentage we need initially to be revenue neutral.

As we improve government and eliminate waste in spending, we can continue to lower the rate to really give tax relief to the Canadian public. We can show them the more they look after themselves, and this gives them that opportunity because more money will be left in their pockets, then the better the system will be for everybody.

The corporate income tax return is also a simple one–page document that scares tax lawyers and tax accountants. They should not be scared. In this system rather than working for corporations that are in receivership and trying to determine whether it is 10 cents, 20 cents or 50 cents on the dollar and wasting fruitless hours trying to do personal income tax forms for $50 or $100, these people will be advising the public and corporations where to invest, where the best rate of return will be. They will be helping them build profitable companies.

I acknowledge that some tax lawyers and tax accountants will have to get out of the profession. Perhaps they will become entrepreneurs. Perhaps they will be contributors to the income stream rather that being on the receiving end of the expense stream. They do good work and they are necessary now. However it would open the field for a lot more opportunities. I do not think these people need to worry.

• (1310)

On this tax form under income we have everything the corporation makes. There are five deductions. Any losses are carried forward, for a total of six items of deductions for corporations. Subtract those deductions from income and send in the tax at the same rate as individuals.

This principle of fairness would make every Canadian and all corporations happy. Corporations would be proud of no longer being accused of manipulating the system, of not paying their fair share. We hear all the time that corporations do not pay their fair share of taxes. We hear all the time that the wealthy do not pay their share of taxes.

Under this system individuals would have a certain level of tax free income. A married couple with two children would have the basic $12,000 deduction, $6,000 for a spouse is $18,000, and $5,000 each for two children under seven equals $28,000 of income that would not be taxed.

Currently somebody making $12,000 has to send in $1,200. They then have to line up for some kind of subsidy program for education, job retraining, unemployment and welfare. By the time that $1,200 comes back to that individual it has shrunk to

about $400. That is what gets used up sending it to Ottawa and then sending it back to the people in the field who need it.

Let us stop this nonsense. It is one of the best ways we have to reduce the pressure and save social programs. Leave the money in the hands of the people who need it for their own subsistence, for food, shelter and clothing. We are supposed to be here to find solutions and that is a very concrete solution.

Without the loopholes, exemptions and deductions that the wealthy use now to manipulate the system and receive tax breaks, they will pay their share on all income. This will enable wealthy people not to worry about whether or not they are paying their share. I already know for a fact that 50 per cent of the tax revenues generated in this country on an individual basis come from 10 per cent or less of Canada's taxpaying population. The wealthy are paying their share. Now the Liberal government is saying the corporations are not paying their share. The corporations under this system would pay their share.

As we discuss the simple, visible, flat system of taxation perhaps the debate could lead to a system where corporations would only pay 5 per cent, allowing them to hire more people, to reinvest their profits.

Why would I invest in a company and how would I get my money back? I am using 80 cent dollars. I make an investment and it is not deductible. However, I have invested in an area where I feel and see that the economy is going to grow. It is not driven by the government. It is driven by speculators, risk takers and investors.

The company may be making a profit digging out gold or they have a manufacturing company and make bicycles better than the other bicycle. If I invest in that company and it makes profit it will pay me out of the profits. It gets to deduct those dividends and I pay tax on them. It is an equitable and fair system.

The government will no longer be able to accuse one sector of the economy of abusing the system. The flat tax cleans up the entire system of taxation and reallocates the purpose of government, what the government should be doing, whether it is regulation or social programs. It raises the money required to do it and delivers it.

I believe a flat tax system is going to become a reality in the United States. Therefore, why delay in making the proportional flat tax a reality in Canada? Let us start today.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member spent quite a bit of time talking about the flat tax approach. In my experience as a chartered accountant, if it sounds too good to be true, it probably is.

The member's approach and what he has been proposing to the House time and time again is overly simplistic and unfair. He seems to think that if one takes a tax return and shrinks it down to one piece of paper that somehow helps the situation. The method of reporting is only bookkeeping and paperwork. It does not impact the amount of taxes collected.

• (1315)

The member will know that if Canadians have medical expenses they have to provide an itemization of the expenses for deductibility. If they have charitable donations, and many Canadians have a lot of charitable donations, they have to be itemized. Nowhere on his proposed form is their room for detailing eligible expenses.

The member will know that unincorporated businesses with sole proprietors must have a set of books and must report the detail from those books as to various sources of revenue and legitimate deductions against business income on their personal tax return.

Similarly rental properties, which many Canadians have as investments for the future, must also have a set of books and must report in some detail so that revenue is properly accounted for and eligible rental property expenses are claimed.

I heard a contradiction in the member's speech. In the first part he insinuated that the rich were not paying their fair share. In the conclusion of his statement he argued that the wealthy and the rich were paying their fair share.

The member is quite right in the latter case. The top 10 per cent of taxpayers in Canada make $50,000 a year or more. They pay 37 per cent of all taxes in Canada. What is more important is that they also pay 42 per cent of all charitable donations. If the tax burden on Canadians who are fortunate enough to earn higher incomes is increased, the first thing to suffer will be their level of contributions to charitable donations, which will definitely hurt all Canadians.

The flat tax notion has to be dealt with here and now. If the member thinks that the U.S. has the answers to all Canadian problems, he is absolutely wrong. Let us give one very important example considering that last night in the House the member stood and said that members of Parliament should be paid a salary of $12,000 a month or $144,000 a year, an $80,000 salary increase. He is saying in the House that they will make things better. That is not the way to do it.

Under his flat tax system a member of Parliament who makes $64,400 a year pays income tax at 37 per cent on his average marginal rate. That equates to some $24,000 a year. Under his system of a flat tax with no deductions of 30 per cent, a member of Parliament would only pay $18,000 of taxes or a reduction in taxes of $6,000.

Persons making $25,000 a year pay $6,000 today. Under his system they would pay $7,500 a year, a $1,500 increase to a low income Canadian. Could the member explain why his flat tax actually hurts poor Canadians?

Mr. Silye: Mr. Speaker, it is obvious the member does not believe in a single flat tax. I appreciate the difficulty the hon. member for Broadview—Greenwood has in his caucus.

Let me clear up the comment I made last night. The hon. member is an accountant. He knows that MPs currently make $64,000, have a $6,000 tax free travel allowance and a $22,000 living allowance. Those are taxable. Let him dispute right now that we are getting the equivalent of $10,000 a month. He can take that number, put it in his little calculator and figure it all out.

I am suggesting that we get rid of different levels of remuneration for MPs and quit using a low salary of $64,000 as an excuse for a gold plated, three tiered, extravagant, double standard pension plan. That is what the government is trying to justify to Canadian taxpayers. It is not legitimate.

What I suggested last night was in context. The gentleman likes to interrupt speeches, take things out of context, do a little twist, stick the knife in and do a little turn. I am trying to offer a balanced approach to and a balanced solution for MPs' compensation, a salary level where MPs look after their own pensions. They can contribute 5 per cent matched one to one by the government, not three and a half times one as the government is doing now.

Getting back to the specifics of the proportional flat tax or a flat tax, in the current system the tax form is one–quarter inch thick. In our flat tax system it will be one page. There is one line for charitable donations. Whether it is 5 per cent of gross income, 17 per cent of net income or whatever, it can be debated. When a person has a lot of donations and deductions the backup to this one page might be one inch thick.

• (1320)

Perhaps that accountant can get it through his head that I am not talking about everything on one page. There are receipts. It is justified. It is all sent in. That is all people have to worry about to figure out their income tax. He is out of the accounting profession because he is now a politician. He is a wannabe millionaire.

The other point he talked about was the supposed contradiction about the wealthy. The top 10 per cent is not earning $50,000 or over. He does not have his numbers straight. The top 10 per cent is earning $80,000 and over. They are the ones who contribute.

Is that the right number? What is the number? Help me.

Mr. Grubel: The number is $52,000 and they contribute 50 per cent.

Mr. Silye: I want to get this right because the gentleman likes the facts. He likes to be specific and I do not want to make comments out of context as the member does. I like to keep things in context. When I make a mistake and I am wrong, I admit it. I do not go on pretending I have all the answers like some members of the government.

I have vented my frustration with the member eloquently enough.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, I appreciate the opportunity to participate in debate on the legislation.

Bill C–70, an act to amend the Income Tax Act, seeks to implement a number of measures introduced in the 1994 budget, along with certain measures announced by the government at other times over the last year.

In asking for the support of colleagues in the House I would be remiss if I did not remind them of the context of the legislation.

The fiscal challenge facing the country has been a topic of considerable debate both in the House and across the country. Few dispute the scope of the challenge. Few dispute the difficult choices that must be made. Few dispute that we must act decisively. Few dispute that fairness and effectiveness must be essential guiding principles of any and all steps taken to overcome our deficit challenge. These principles have guided the government as it has worked to restrain spending. They guided the minister in crafting the budget presented in February.

For the moment and for the discussion of the legislation let me take hon. members back to the budget last year. Spending cuts alone could not deliver the deficit reductions set out at that time. Spending constraint had to be complemented with some measures on the tax side. Doing so was simply a question of fairness. Our vision of fairness guided us as we looked at the tax system addressing unsustainable tax preferences instead of imposing general tax hikes on Canadian taxpayers.

In looking at the corporate tax regime we sought to ensure that corporations paid their fair share of the tax revenues needed to fund government programs and to prevent certain businesses or sectors from taking undue advantage of certain tax provisions.

With this in mind, the budget last year proposed a number of measures for the rules governing the taxation of business income. Let me stress that our goal was not to penalize the business sector or to impede the competitiveness of Canadian corporations. We believe it is essential to maintain a competi-

tive tax system in today's global economy. We cannot disregard the role of business in creating and sustaining employment. Nor can we ignore the pressures faced by Canadian companies as they operate in fiercely competitive markets both at home and around the world.

One fairness issue the budget addressed was the tax rules dealing with debt forgiveness and foreclosures. Under the old provisions of the Income Tax Act many transactions involving the settlement of debt were not recognized in any meaningful way for income tax purposes.

• (1325)

The new rules provide a comprehensive basis to deal with debt settlement. In general they provide that forgiven debt amounts will be applied to losses carried forward and expenses, or partially included in the debtor's income. I should point out, however, that there are special relieving rules to minimize undue hardship from these new rules.

Let me turn now to the tax treatment of securities held by financial institutions. Until now the Income Tax Act was not providing specific rules regarding the tax treatment of such securities.

The measures proposed in the bill seek to reduce uncertainty in this regard and to ensure the income derived from such securities is measured appropriately. The amendments provide that certain securities will be marked to market, meaning that the appreciation or depreciation in their value each year must be recognized in that year.

In keeping with our goal of fairness the amendments include a transitional rule that allows increases in income resulting from the new rules to be spread over five years. These new measures are generally effective after February 21, 1994.

In addition, new rules are provided for debt securities that are not required to be marked to market. These rules deal with the measurement of income while the securities are held and the treatment of gains and losses on disposition.

Bill C–70 also amends the rules for the taxation of resident shareholders of foreign affiliates. This action is being taken as a result of the government's ongoing monitoring of developments in the area. The changes expand the categories of income of foreign affiliates that must be reported as income of the Canadian affiliates.

Another modification prevents the use of an affiliate's foreign active business losses to reduce Canadian shareholders' income. This change also protects the Canadian tax base. The amendments are generally effective for taxation years commencing after 1994.

Finally let me turn to six tax measures announced during the months after the 1994 budget. The bill addresses the issue of eligible prepaid funeral and cemetery arrangements. Under the legislation individuals making such arrangements would not have to declare interest on deposits up to a $15,000 maximum contribution as income, provided the deposit is not withdrawn for other purposes. The provider of eligible funeral and cemetery arrangements is however required to include in income the total amount received from an eligible arrangement.

Turning to the next measure, the bill proposes that real estate trusts with publicly traded units be allowed to qualify as mutual fund trusts. The measure responds to representations from the real estate sector which is interested in expanding the available methods of financing real estate. We believe the proposed change will facilitate the restructuring and refinancing of the sector.

The third of the post–budget measures is a measure that will help mutual funds reduce overhead costs and improve services to investors. The amendments allow mutual fund corporations to convert to mutual fund trusts on a tax free basis and allow tax free mergers of mutual fund trusts.

The bill proposes new rules to speed the resolution of objections and appeals particularly by large corporations. Large corporations will now have to specify the issues under dispute, the amount of relief sought, and the facts and reasons for objecting.

The rules also limit the ability of large corporations to raise new issues in a notice of objection where the objection relates to the reconsideration of an assessment. However new issues raised by Revenue Canada on such reconsiderations may still give rise to notices of objection.

In addition, the legislation will ensure that the new requirements relating to notices of objection will not apply to assessments which were repealed through court before the legislation received royal assent.

The final measure I want to highlight deals with the tax treatment of dividend compensation payments and other incomes connected with securities lending. The Income Tax Act currently provides that the lender of securities not be treated as having disposed of the security under these arrangements. As well, payments to the lender as compensation for dividends are treated as dividends in the lender's hands. While these dividend compensation payments are generally not tax deductible, a special rule established in 1989 allows securities dealers to deduct two thirds of such payments.

• (1330)

This legislation extends the use of the two–thirds rule, thus ensuring our security industries remain competitive.

The Deputy Speaker: The time has expired.

Mr. LeBlanc (Cape Breton Highlands—Canso): Can I go to my motion?

The Deputy Speaker: No. The time has expired. We will now proceed to Private Members' Business.

PRIVATE MEMBERS' BUSINESS

[*English*]

AGRICULTURE

The House resumed from March 24 consideration of the motion.

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, this debate is on Motion No. 314 by the hon. member for Moose Jaw—Lake Centre. It gives the government an opportunity to point out that it is working with the provinces and industry to deliver effective, cost efficient programming for the benefit of the primary agriculture and agri–food industry and the consumer.

The fundamental proposal in the motion has considerable merit. Who could not agree with the notion of reducing the duplication of programs and services? I cannot. It does not make sense for two levels of government to do the same thing. It does not make sense to spend $1 more than what is necessary.

If the government were to adopt the hon. member's motion to immediately pursue negotiations with the provinces and the agri–food industry to eliminate overlap and duplication, we would be reinventing the wheel.

We do not want a new set of constitutional negotiations. I remember what happened during the last set. We want agreements with the provinces to make a real difference in the lives of the people actively farming in Canada today.

I can think of no better example than agriculture, a shared responsibility between provincial and federal levels of government, to illustrate the enormous effort made by the federal government, provinces, the industry and municipal governments to work together to resolve issues and deliver effective programming and reduce spending.

There are many examples such as safety nets, where both levels of government and industry have come up with a national whole farm program that will provide $1 billion of income support for producers this year; $600 million from the federal government and the rest from provincial governments.

The federal government has been working with the provinces, with industry and even with municipal governments to put in place a national food inspection system that will harmonize standards across the country, get rid of duplication of effort where it does exist and at the same time maintain Canada's high standards of food safety and quality which are respected worldwide.

In financial services the Farm Credit Corporation and interested provinces are discussing ways to reduce duplication of government services. The FCC has acquired the New Brunswick agricultural development board portfolio. It has been working with the Alberta Financial Services Corporation since last June to combine the two lending services into a single delivery point.

In research, a valuable tool for Canadian agriculture and agri–food, the federal government is working closely with the private sector and universities to continue a long tradition of scientific excellence. The Canadian agriculture food research council, which has representatives from provincial governments, universities and industry, helps ensure there is a co–ordinated approach and that we avoid duplication.

• (1335)

The list is almost endless and I will not tire the House with much more, just a few more points: trade and market development, environmental initiatives, a new range of adaptation measures following the February 27 budget to support industry as it adjusts to a market driven economy.

There is no area where federal and provincial governments do not collaborate effectively. After all, what have we been doing in agriculture since 1867? That is what we will continue to do in the integrated world of agriculture and agri–food where co–operation among all the players is more important than it ever was in the past.

For these reasons I urge members to vote against the motion.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a pleasure to address the motion of my hon. colleague from Moose Jaw—Lake Centre.

The motion states:

> That, in the opinion of this House, the government should immediately pursue negotiations with the provinces and the agri–food industry in order to reassign jurisdictional responsibilities in agriculture and eliminate overlap and duplication.

The hon. member refers to this process as reconfederating agriculture. This is an appropriate term because it alludes to a new way off looking at how levels of government should treat agriculture.

The motion undertakes to prod government to adopt a more efficient and effective agriculture industry by reducing the amount of overlap between the federal and provincial governments. It is important to note the suggested changes and jurisdictions could be made without any constitutional amendments.

There are major changes afoot in the area of agriculture. In the west we are seeing the subsidy for grain transportation eliminated after an existence of close to 100 years. Global change in agriculture is at an unprecedented pace. We must change the way

we treat our industry to keep up with it. This is combined with an ever increasing realization that governments at almost all levels are in serious debt.

We do not have the money to fund everything. It is time to cut back significantly. Agriculture departments are no exception. The Department of Agriculture and Agri–Food has had its budget cut considerably in the recent federal budget.

It is now time to take a hard look at how we can eliminate overlap between levels of government so we can get the most results from our scarce tax dollars. In 1994–95 the 10 Canadian provinces will spend a total of almost $2.2 billion on the agriculture industry. The federal government will also spend an additional $2.2 billion on this industry. That is a total of $4.4 billion all coming from the same taxpayers.

Where are the provincial or federal funds? The 10 provinces had 10,000 civil servants employed in their agriculture departments this year. The federal government had about the same number for a total of approximately 20,000 full time people on the public payroll in support of private sector agriculture. That equals one person on the public payroll for every seven farms. Clearly with these statistics we must examine what kind of effectiveness we are getting for our expenditures.

As members of Parliament we must strive to ensure we have an industry more marketed oriented, can respond faster to external demands and is more productive and efficient.

• (1340)

With regard to government involvement in agriculture it is really time to get out the microscope and closely examine what government does in its dealings with agriculture.

By looking at the various components that make up the agriculture industry we can clearly label the tasks that should be performed by government and the tasks that should be left in the hands of the industry. As has been stated by my colleagues, reconfederating agriculture means we will develop a system of agriculture in which more decisions are made at the local level and at the farm gate.

Reform members have always said farmers, given the opportunity, will always make the decisions in the best interests of the industry. The motion really asks for the federal government to initiate a process where government at all levels works to give farmers this opportunity.

There are some important themes in the motion. The basic idea is that the decisions in the industry should be made at the closest possible level to the farm gate. The higher levels should be programmed where the federal government and provincial governments have some input.

We should ask the following six questions from this type of service. Does the program continue to serve the public? Is there a legitimate role for government in the program? Is the current role of the federal appropriate or could it be realigned with the provinces? What program related activities could be transferred to the private sector? How can overall efficiency be improved? Is the program affordable?

Government responsibilities would be clearly divided between the federal government and provincial or territorial governments. The provinces would be responsible for natural and human resources. This makes sense because these resources are specific to each province and they vary from province to province.

The federal government would have responsibility for trade policy, whole farm income, stabilization, import, safety and health standards and fiscal and monetary policy. This would reinforce the goals of the federal government which are to assist lower levels of government in areas that span provincial boundaries and managing issues common to farmers and processors regardless of what area of the country they come from.

Among the functions of government should be research and development to ensure among other things we are investing money primarily in sound ventures that guarantee return on our investment.

Another necessary role of government is establishing a necessary level of regulatory policy in the private sector. Although I think most people in the industry would agree that overall there should be a decrease in regulations and that governments should get off the backs of farmers and processors, there is still a need to provide a basic level to ensure the integrity of Canada's industry.

Another government responsibility is to create the lowest level of taxation possible for the most efficient environment for agriculture to operate in. The tax burden in Canada is simply too high. It has been fueled by indiscriminate overspending and it stifles investment and jobs.

A clean break is needed from the cycle of tax and spend. If we are ever to realize the full potential of our industry there are a few other responsibilities to be studied. I know my colleague and others have discussed these at greater length.

The responsibilities of the agri–food industry would be to provide the supplies to meet the demand. That is to say, by providing goods to the public the industry should have the responsibility and the input at all stages in the life cycle of goods including research and development, production, processing including storage, inspection, grading and labelling, and transportation. Producers must be directly involved in the marketing of their products. Financing and insurance should be available to processors in a competitive atmosphere.

• (1345)

I think the motion of my hon. colleague addresses these issues and gives some very important input into regulating or deregulating the agriculture industry so that it will become productive, efficient, and compatible in today's world standards.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased to rise today to speak on the motion before the House. I want to thank the member for Moose Jaw—Lake Centre for bringing this motion forward.

My riding of Annapolis Valley—Hants is the home of a large and diverse agricultural and agri–food sector. I am always pleased, therefore, to have the opportunity to discuss what our government is doing to support this important sector.

I believe all members of the House would agree that the hon. member's commitment to eliminating overlap and duplication in the agricultural sector is a good thing. While I believe this motion is well intentioned, I also believe it is unnecessary.

The hon. member wants to launch negotiations to reassign jurisdictional responsibilities. Canada's Constitution makes agriculture a joint responsibility of the federal and provincial governments. I believe this is one of the areas where flexible federalism is working.

Since 1867 the federal government and the provinces have developed a culture of co–operation. While the Constitution does not specify certain areas as federal and others as provincial, governments have learned, however, to work together without treading on each other's toes.

One area where this has worked well is in trade and market development. While international trade is strictly a federal responsibility and would remain so under the proposed motion, this government recognizes the value of working with the provinces to promote exports of agriculture and agri–food products.

In my riding of Annapolis Valley—Hants, I am pleased to say there is a strong and ever growing value added sector. The processing of hogs, chickens, fruits, and vegetables can be found in a number of my communities. Our government has an important role to play in helping them uncover new market opportunities.

The best way to expand our markets and reach our potential is through co–operation, both with the provinces and the respective industries.

We believe that there is no need to open the Constitution to address these issues of jurisdictional responsibilities. Instead, we must work with our provincial colleagues and focus on innovation and market development. This co–operation takes many forms.

When the Minister of Agriculture and Agri–Food travelled to Chile, Argentina, and Brazil in March, high level representatives of three provincial governments travelled with him. These joint missions allow the federal government to promote the entire Canadian agricultural and agri–food sector. At the same time, the provinces pursue specific opportunities for their own industries.

We saw another example of two levels of government working together in the final days of the GATT negotiations. Provincial representatives were in Geneva helping reach the draft agreement. Immediately afterwards the Minister of Agriculture and Agri–Food convened a meeting with our provincial colleagues to plan how we could meet our obligations.

Federal and provincial representatives worked very closely in the following months on the task force on orderly marketing led by the parliamentary secretary. Thanks to their willingness to work together for the common good, our supply managed sectors are moving forward to meet the challenges of the new trade regime.

Another example of this co–operation can be seen in the export targets established for this sector. The industry set for itself a target of $20 billion in agri–food exports by the year 2000. Federal and provincial ministers of agriculture accepted that target and agreed to help each other reach it. They added a further target of regaining Canada's traditional 3.5 per cent share of the global agri–food trade. Reaching this goal would boost our exports to $23 billion annually.

• (1350)

However, setting the goal was the easy part. For our next steps the federal government will continue to work with industry and with the provinces. We must work to provide the programs and initiatives that industry has told us it needs to take advantage of so as to develop new market opportunities. To this end, the department's priorities in the area of trade for the next three years will include a number of initiatives.

We will negotiate further trade access with countries such as Israel and Chile through the NAFTA. As well, we will work with countries such as China through the GATT expansion.

Our government is committed to creating the Canada agri–food marketing council. This will allow the industry to effectively advise government on how best to support exports in achieving their targets.

We will create an agri–food trade service to provide single–window access and market development services. Our government is also committed to consolidating existing market and trade development programs into a single streamlined Agri–food 2000 program. I believe this program will greatly assist industry in its export efforts.

We are working to provide producers and processors with timely information about international markets through a new

agri–food trade network. In doing so, we want to help businesses make better and more informed decisions.

A key priority will be the setting up of the agri–food credit facility. This facility will provide credits worth up to $1 billion for exporters of grain and other agri–food products to offshore private sector buyers. This in turn will help Canadian producers continue to compete effectively and efficiently in the export markets.

By working in tandem with the provinces to achieve these initiatives, our government is committed to helping the agri–food sector reach its export targets. Now is not the time to work at cross purposes with the provinces and debate jurisdictional issues. Now, however, is the time to foster even greater federal and provincial relations. In doing so, our agricultural and agri–food sector will only get stronger.

I again thank the hon. member for bringing this motion forward for debate. I certainly do not question the hon. member's commitment to eliminating inefficiencies and overlap in this important sector. However, I believe we can achieve our goals through federal–provincial co–operation rather than reassigning jurisdictional responsibilities.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, it is a pleasure for me to speak today on motion M–314 put forward by my colleague from Moose Jaw—Lake Centre.

I find it interesting that my Liberal colleagues speak of the lack of necessity for this bill. Both the hon. member for Lisgar—Marquette, who just spoke, and the hon. member for Moose Jaw—Lake Centre, who proposed this motion, are active farmers who are struggling under the inefficiencies and the problems of the system as it is now and are seeking to put solutions forward.

The agricultural industry is intricately tied into the whole social fabric of Canada. Over one million Canadians today are involved in agriculture. Many of our peers in this Chamber, as I have mentioned, have left their farms to represent their friends and neighbours in the House of Commons. Millions of other Canadians only need to look back a generation or two to find a parent or a grandparent who worked the land. My own father ranched at the Springhouse ranch and my grandfather at the 141 mile ranch in the Cariboo district of British Columbia.

• (1355)

The product of the hard work of our Canadian farmers and ranchers sustained our troops during two great wars, saved the lives of millions of the world's poorest nations, and feeds the needy and destitute of today. They fed the world for decades and will continue to do so for decades to come. We are blessed with an amazing basket that feeds the hungry of the world. The question remaining, though, is how to continue feeding the world in the most efficient way possible.

The agriculture industry of today is vastly different from that of 50 years ago. Today, agriculture is controlled and managed through a number of government departments and private sector organizations. We have bureaucrats in downtown Ottawa studying regional farming policies, and at the same time their counterparts in the ten provincial capitals are duplicating many of the same services the federal government is offering. On top of these bureaucracies are a variety of government agencies and private corporations that work in the industry.

Combine all these agencies and government departments together and you have a tangle of rules, restrictions, and regulations that hamper initiative and change. What is needed is a new vision, a new and better approach to the management of agriculture.

There are three starting points the government must first realize before a positive change can take place. The three points I refer to are that each region of our country has unique and diverse needs; that each government has a responsibility to respond to these needs, using its respective strengths; and that each person within the agriculture community has a strong desire to go about their business in the most efficient and profitable way possible. Let me take a moment to expand on these three points.

First, on the uniqueness of each region, I have had the privilege of travelling through and working in many of the agriculture regions of our country. I have worked in the cattle ranches in the British Columbia interior. I have walked through prairie wheat fields. I have driven by the corn and tobacco fields of southern Ontario. I hope some day to visit some of the farms in Quebec, as I have had the opportunity to do in the Maritimes, particularly in Hants County, where the member for Annapolis Valley—Hants comes from.

What has always struck me is how distinctive each region is and how unique each region's needs are. Do these regions have common concerns? Of course they do. These concerns should be pursued in a united manner. Yet the regions do not share common ground on every issue, and we as parliamentarians must keep this in mind.

Second, on responding to those needs, this year the federal government will spend over $2.2 billion to support our agriculture industry, and the provinces will contribute a similar amount, meaning that almost $4.5 billion will be spent on agriculture programs this year. This works out to over $157 per Canadian or over $332 per taxpayer. That is enough to feed one person for ten weeks, and perhaps longer with careful shopping. Are Canadians getting value for that money? According to the farmers and the taxpayers, the answer is no. Is there room for improvement? Of course there is room for improvement.

For that $4.5 billion the various levels of government manage to keep over 20,000 civil servants on the payroll, 10,000 at the provincial level and another 10,000 at the federal level. According to my colleague from Moose Jaw—Lake Centre, this works out to one agricultural civil servant for every 14 farms.

The limited money remaining after paying these government employees goes into numerous support programs. These federal and provincial programs often end up overlapping each other, resulting in farmers wasting valuable time and paperwork, not to mention the tax dollars lost through duplication.

To respond to the needs of farmers, governments must play to their inherent strengths. That is, the federal government directing its resources to such areas as international trade, monetary policy, whole farm income stabilization, and safety hazards, and the provinces more locally investing their money in such areas as resource management and human resources.

• (1400)

There is the desire for each stakeholder to go about his or her business in the most efficient way possible. We must begin talking more about empowerment, giving individuals more autonomy in their everyday lives.

It is amazing how bureaucratic control has crept into so much of our Canadian way of life, stifling the very initiative it set out to reinforce. Extending autonomy can involve encouraging the private sector to become more involved so the market system can work to the advantage of the farmer, not just to satisfy regulations that are increasingly failing to meet the needs they were designed for.

We in Parliament must be constantly asking ourselves how we as law makers and the civil servants who enforce the laws and implement the regulations are interfering with the private sector. Are we in its way? If so, how can we move out of the way?

I urge the minister of agriculture and his provincial counterparts to be constantly asking the same questions asked during the federal program review for each and every subsidy and program in the department.

Does the program continue to serve the public interest? Is there a legitimate and necessary role for the government in this area? Is the current role of the federal government appropriate, or can the programs be turned over to the provinces or even eliminated in the name of efficiency and well–being for the individual farmer and the agriculture industry? What activities could be transferred to the private or volunteer sectors? If the government program continues, how can its efficiency be improved? Is the final package of programs affordable and if not which of these programs could and should be abandoned?

My colleague from Moose Jaw—Lake Centre has taken an important first step by proposing a new dialogue between the players involved in the agriculture industry. I hope this debate on Motion No. M–314 will be an important first step in bringing about substantial change in the agriculture policy of Canada.

I ask and encourage all members of the House to support this motion.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I am pleased to participate today in this third and final hour of debate on the motion by my hon. colleague from Moose Jaw—Lake Centre. The motion reads:

> That, in the opinion of this House, the government should immediately pursue negotiations with the provinces and agri–food industry in order to re–assign jurisdictional responsibilities in agriculture and eliminate overlap and duplication.

My colleagues who have addressed this motion have focused on how we can get the agricultural business in Canada done smarter, better and cheaper. We have said that we must focus on how the private and public sectors can work together more efficiently and effectively.

We have reached a time in our history when good economics and good politics can converge. Canadians want their political leaders to make the absolute best use of public moneys. They want all mismanagement and waste done away with. They want the political turf wars between the federal government and the provinces to cease.

They want politicians to go back to square one and ask: If we had to start all over again, how would we structure our collective affairs? That is not just in agriculture, but may be especially so today. How would we organize government departments at the federal and provincial levels? How would we create co–operation, not competition, between the public and private sectors? These are conceptual questions that my colleagues have tried to present answers to as applied to agriculture within Canada.

We have said that if we could take agriculture, which is probably the most basic industry, and develop a clear division of responsibilities between levels of government and the industry, we could save hundreds of millions of public dollars and we could unleash the private sector to grow to its complete potential. By taking one department of government such as agriculture and working through this redesigning or reconfederating process, we could learn lessons that could be applied broadly across all the economic and social portfolios within government.

A discussion of this nature deals not only with a clearer division of jurisdictions between governments, but also with a clearer understanding of the functions and the roles of both the government and the private sector.

My colleague from Moose Jaw—Lake Centre has suggested government has six roles most appropriate for it. First, there is basic precommercial research and development. Second, is a commercial role limited to providing only those goods and services that are non–rival, non–excludable and thus not captur-

able exclusively by the private sector. Third is a minimum level of regulation that ensures safety and health. Fourth is a role in educating and training our children, youth and adults. Fifth is a role in serving the private sector with suitable public programs. Sixth is a mediation role in helping to resolve conflicting and sometimes competing interests.

• (1405)

On the other hand, we suggested that the private sector is most suited to make the vast majority of decisions and have ultimate responsibility for organizing the production of private goods and services. The industry must supply the demand and provide goods and services that can be competitive and from which profit can be gained. For the most part, government should stay out of these business related functions. There may be niche roles, but they will be very few in number. These business functions include commercial research and development, production, processing, transporting, marketing, financing and insuring.

Without question, this kind of business led free market system is the best way we have found to distribute resources and wealth throughout an economy and a society. This is because a business–led free market system is an open social order where individuals or parties have the right to contract with others on legal and mutually agreeable terms based on free choice. This open social order must promote personal responsibility for choices instead of state protection, individual innovation instead of bureaucratic control, and the encouragement of voluntary contracting exchange between free participants.

We must also recognize that we want a free market system to provide protection for weaker partners so that they are not victims of unfair commercial practices. In other words, we want a free and a just market system. This issue is without doubt one of the most important things that we as politicians can discuss at this level. It has occupied the attention of legislators and economists around the world since the free markets began.

At the end of this millennium we are also finding new resolve to ask how we best ensure a free market system is both free and just. I suggest there is both a moral and a democratic answer to the question.

Because the tools of wealth and freedom are available in a free market system, participants in that system have a moral obligation to ensure that the creation of wealth and freedom are spread as far afield as possible. To whom much is given, much is expected. Our cultural values will determine how moral a free market system really is. Then a market system that is free and just will be based upon a genuinely democratic process of decision making in public and private policy, work and capital. In a free market economy, justice for all is best realized by ensuring that bottom up democracy characterizes all economic and political institutions.

The power and authority must be spread out as widely as possible. Organizations must be flat rather than hierarchical. People must be empowered to fully participate in the privileges and responsibilities of a productive economy. In a multitude of counsellors there is safety.

This is why my colleagues and I insist on the importance of direct farmer and business involvement in developing agricultural policy. We must work from the bottom to the top, not the other way around. We must get the maximum number of people involved in the decision making process. Business and governments around the world are realizing that the more democratic these institutions are, the more economically and socially successful they will be.

A parliamentary democracy must submit political party discipline to representation of the people if it is to maintain the loyalty of those people.

The private sector has other roles to perform in organizing for the supply of private goods and services within a free and just market economy. Industry stakeholders must have freedom of association. They should be able to democratically organize, carry out their activities and advocate their causes to other stakeholders and the public in whatever self–supporting and legal manner that best serves their interests.

The private sector also has a self–regulation function. A clear set of regulatory policies that is established internally by industry or externally by government should be binding on all. This system nurtures the natural expressions of differences and openly rewards success within that regulatory policy.

Obviously the private sector should also have some ability to mediate its affairs and reconcile its own differences. Where this is not possible, outside private or public mediators could be called on to help. The real need however is for all the stakeholders in a given industry to develop a collaborative approach to allow each player to do what it does best in order to realize the best possible good for all.

Finally the private sector has an information sharing function, which is to say that it should research, compile, analyse, interpret and distribute data helpful to its cause.

These basic ideas about the most appropriate roles for government and the most appropriate roles for the private sectors are crucial. We began this debate by saying that it is time to re–confederate agriculture in Canada. The time is right and the need is now. We cannot just tinker with policies here and there. We must think into the future and drive, not drift, into it.

There must be a whole new way of doing agriculture based on more distinct and more co–operative roles for both levels of government, as much as possible separate from each other and separate from private sector industry. These suggestions are based on sound economic, organizational and democratic principles.

The first act that our Fathers of Confederation passed 125 years ago was the Agriculture Act of 1868. At the end of the 1990s perhaps we as parliamentarians could have the foresight and vision for the needs of today. I have sketched out the modest skeleton of a proposal. I ask the House now to vote in favour of this motion.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 45(6) the division on the motion stands deferred until Monday, May 8 at the ordinary hour of adjournment.

It being 2.13 p.m., the House stands adjourned until Monday at 2 p.m.

(The House adjourned at 2.13 p.m.)

HOUSE OF COMMONS

Monday, May 8, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*Translation*]

V–E DAY

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, for over a year now, Canadians have been planning to celebrate the 50th anniversary of the events that led to the end of the second world war. Hundreds of commemorative activities have already been held in various communities across Canada. Through ceremonies, concerts, exhibitions and storytelling, Canadians are paying tribute to those who gave their lives to overcome tyranny.

There are no words to express the pride I feel toward my country, a country that was effectively created by the men and women who fought for our freedom. It is because of both those who did not come back and those who are still among us, along with the thousands of Canadians who supported their efforts, that we now enjoy a quality of life and freedoms without parallel. Today I want to thank and honour them.

* * *

PRESIDENT OF FRENCH REPUBLIC

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, the Bloc Quebecois wishes to salute the election of the Mayor of Paris, Jacques Chirac, as President of the French Republic. During his seven–year mandate, Mr. Chirac, a man of vast experience, will probably have to face the major challenges that await France as the next millennium approaches. When Quebec Premier Jacques Parizeau visited France in January, the new French president said that if Quebecers decided in favour of sovereignty, France would no doubt be among the first to say that it would accompany them along that road.

For his part, the Prime Minister of Canada implied a few months ago that Jacques Chirac had as little chance of winning the presidential election as the sovereignists had of winning their referendum. Again, history is waiting for our Prime Minister just around the corner.

* * *

[*English*]

NATIONAL NURSING WEEK

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, this week is National Nursing Week. As a nurse, I realize the important role nurses fulfil in our health care system and the many challenges they face daily.

Nurses face the seemingly never ending challenge of providing more services at higher standards with less funding. This is the result of a combination of today's fiscal constraints, rising health costs, public expectation, and the expanding role of health services.

Changes in the role nurses play have great potential to improve cost effectiveness in our health care system. For instance, in many cases nurses can provide the necessary education, guidance, and care without the patient having to visit or revisit a physician.

Our health care is too important an issue to be left only to politicians. Health care debates and decisions must involve all major players, and nurses are ideally positioned. I ask all members in the House to join me in saluting all of Canada's nurses today.

* * *

WORLD RED CROSS AND RED CRESCENT DAY

Ms. Maria Minna (Beaches—Woodbine, Lib.): Mr. Speaker, I am pleased to announce that May 8 is World Red Cross and Red Crescent Day. This day is meant to celebrate international understanding and promote the humanitarian cause of the Red Cross Society of Canada.

This year's theme is dignity for all and respect for women. World Red Cross and Red Crescent Day acknowledges the millions of people suffering from the consequences of war due to ethnic and other violence, natural disasters, and malnutrition. It appeals to people all over the world to respect the dignity of those most in need. For nearly 100 years, the Canadian Red Cross Society has maintained a Canadian tradition of providing humanitarian assistance whenever and wherever it is needed. Often the Red Cross is the only organization allowed to bring assistance to war zones.

S. O. 31

Please join me in congratulating the many volunteers of the Red Cross Society for their selfless efforts and understanding work and in wishing them a very successful Red Cross and Red Crescent Day.

* * *

[*Translation*]

V–E DAY

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, on this 50th anniversary of V–E Day in Europe, we will recall that although far from the battle, all of America was deeply concerned about the events taking place in Europe. While thousands of Quebecers and Canadians were fighting abroad, thousands of others contributed to the war effort on the home front.

I am referring in particular to all those women who provided support to the combatants. I am thinking about the nurses, the women who worked on farms and in factories and those who produced war materials. To all those women who, through their courage and hard work, contributed to the war effort, we are expressing today our most sincere admiration and deepest gratitude.

* * *

[*English*]

TAXATION

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, Reform Party MPs have given thumbs up to the first piece of legislation in Canadian history to actively keep government honest and accountable to Canadians.

The taxpayer protection act is a chance for governments to show Canadians that government can be responsible with tax dollars while giving Canadians an opportunity to have a direct say on how much money they can afford to pay.

The taxpayer protection act would require deficit control and reduction. It would limit expenditure increases to the rate of growth in the economy or population growth. It would also keep tax increases in check in the same way. The taxpayer protection act would not say how the money is to be spent but how much money is to be spent.

The Liberals are famous for stealing good political ideas before, during and even between elections. I therefore challenge the Liberals to embrace this Reform idea, a federal taxpayer protection act, and show Canadians that even they can be truly responsible and accountable.

V–E DAY

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, I rise today on this 50th anniversary of V–E Day to pay tribute to the Canadians who helped bring about the end of the second world war.

• (1405)

During the war thousands of men and women from the Dominion of Newfoundland proudly served with the allied armies, navies, and air forces. Thousands of others served with the merchant navy, risking their lives to keep the vital shipping lines across the Atlantic open.

Members of the Newfoundland Overseas Forestry Unit worked in Britain to ensure the continuing supply of lumber, while many others joined the British Home Guard.

At home, people felt the reality of this war as well. In the fall of 1942 four allied ships were sunk by U–boats off Bell Island of Newfoundland, the only community in North America to come under direct enemy fire. Sixty–nine men were killed and a memorial now stands in Lance Cove in their honour.

As Mr. Churchill said 50 years ago, "Today is V–E Day; long live the cause of peace".

* * *

V–E DAY

Mr. John English (Kitchener, Lib.): Mr. Speaker, in the 1940s young men and women left Canada's farms and factories, villages and cities to fight a war that had to be fought. They were young men and women like Earl Grummett, who fought from D–Day's beaches to Holland along the Maple Leaf route; like Stanley Kudoba, who spent the war's last hours fighting the enemy in a small Dutch village; or like Lottie Kosiorek, who was freed from a forced labour camp.

Today we celebrate those who triumphed over Nazism and fascism 50 years ago. How thrilling it was for us to hear the Dutch Prime Minister say on Saturday, "Thank you, Canadians, from the bottoms of our hearts".

These men and women were the glory of their times. Let us honour them today in our times for the great deeds they did for all of us.

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[*Translation*]

NATIONAL FOREST WEEK

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, to mark National Forest Week, I would like to acknowledge the great contribution made by the federal government and

all other participants to the model forest program. This program has gone a long way toward integrating principles of sustainable forestry into logging operations in Canada.

[*English*]

The model forest program has in just three years firmly established a nationwide network of ten large–scale model forest partnerships. The worldwide notoriety of this project has helped to place Canada in a leadership role in forest management.

These partnerships are comprised of willing and committed individuals, encompassing a broad spectrum of our society, including academics, students, traditional and non–traditional forest–based industries, foresters, and First Nations groups.

[*Translation*]

I wish to congratulate all the dedicated people working together for the sustainable development of Canadian forest resources.

* * *

[*English*]

NATIONAL MINING WEEK

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, I would like to congratulate the government and the hon. Minister of Natural Resources in particular for establishing National Mining Week.

This is a timely recognition of mining's importance to Canada and to regions of the country such as northern Ontario.

[*Translation*]

In Ontario, with 56 mines and 103 quarries, the mining sector contributed $4.9 billion to the economy last year. There are 300 companies providing mines with services and equipment.

[*English*]

The mining industry is a high–tech industry, very much part of our new economy. It is developing technologies for robotics and process control and anti–pollution systems. In addition, the mining industry has invested heavily in training and boasts a highly skilled workforce.

Ontario's mines have played and continue to play a leading role in developing these technologies. In areas like northern Ontario, mining is an integral part of our heritage. Mining is also an essential part of our present and our future.

I look forward to National Mining Week as an annual celebration to raise the profile of mining among all Canadians.

[*Translation*]

V–E DAY

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Mr. Speaker, as an Allied force veteran, it is with emotion that I share in this pride we are all feeling today on this 50th anniversary of the Allied victory in Europe.

On this occasion, let us remember that more than one million Quebecers and Canadians joined the armed forces during the second world war and made a major contribution to the liberation of Europe, notably Belgium, where I was born, from its oppressor. And more than 42,000 of them lost their lives in the process.

I want to draw attention to the courage of the Quebec service members who fought in the Netherlands, among other places, where many distinguished themselves. We thank all those Quebecers and Canadians who served at the front, were killed at sea, on land and in the air or risked their lives to overcome tyranny.

* * *

• (1410)

[*English*]

NATIONAL FORESTRY WEEK

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, yesterday marked the start of National Forestry Week.

Forestry was a major force involved in the founding of many of the communities within my riding of Nanaimo—Cowichan and continues to be a vital economic activity throughout the riding today. At the same time, the people of Nanaimo—Cowichan have a great respect and appreciation for not only the revenue but also the beauty provided by the forests. We realize the importance of striking a balance between the environment and the economy.

To help celebrate National Forestry Week, a constituent of mine, Mr. Ed McDonald, a forestry technician with 40 years experience, has graciously donated western cedar seedlings to each member of the House of Commons. On behalf of Mr. McDonald, I invite all MPs to pick up a beautiful B.C. seedling from the antechamber. In planting these cedars, I hope all members will become more aware of the value of our forests in both environmental and economic terms.

* * *

RAIL

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, it seems to be only those countries with declining economic prospects that are forced to get rid of their national railways. Mexico,

buffeted by the currency traders, is offering its national railway to outside investors. Canada is doing the same.

Yet the American government continues to pour money into its rail and port system. One recent example is $1.6 billion to improve rail and terminal facilities in Long Beach, California, to "enhance export capabilities".

The Netherlands Parliament has just approved an expenditure of almost $6 billion for a 75–mile link to connect Germany's Ruhr industrial belt to Rotterdam.

If the Liberals could see what the Dutch and the Americans see, that trade and transport are intertwined, we would be investing to aid our exporters instead of giving up on the CNR and selling it out.

* * *

BILL C–41

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, according to the 1993 violence against women survey by Statistics Canada, 29 per cent of women, or 2.7 million women, who have ever been married or lived in a common law relationship have been physically or sexually assaulted by their partners. Forty–four per cent of the cases involved a weapon and 45 per cent resulted in physical injury.

We are all painfully aware of the seriousness of the problem and the negative consequences not only to those involved but to society as a whole. In fact we may have been so overwhelmed by the tragic statistics and pleas for help over so many years that I fear we may have become desensitized to the severity of the problem.

I call to the attention of the House Motion No. 15 to Bill C–41, which would assist in addressing this most serious problem. I ask all members to seriously consider this motion as our opportunity to send a clear and tough message to spouse abusers.

* * *

V–E DAY

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I would like to remind the House that Edmund Burke said that all that is necessary for the triumph of evil is for good men or women to do nothing.

Fifty years ago today one million Canadians took up the charge to fight the evil. I was reminded of this yesterday at a church service of the Branch 6 Legion, which had three Victoria Cross members. They were Billy Bishop, Tommy Holmes, and David Currie. David Currie was a second world war veteran who risked his life to defend a group of tanks in the army in 1944.

I would like to thank all Canadians and in particular the Grey and Simcoe Foresters and Branch 6 for their help during the war. I would like to thank their families as well for what they put up with in order to ensure that we have the democracy we have today.

* * *

[*Translation*]

V–E DAY

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, we mark today the 50th anniversary of the liberation of Europe and the end of the second world war.

Thousands of Canadians took part in this conflict from which many never returned. Today, we pay tribute to these soldiers for their courage and their bravery. May 8, 1945, is the day that freedom triumphed over oppression and tyranny.

I hope that that day and all of the sacrifices that made it possible remain deeply etched in our memories so that this tragedy will be the last of its kind.

* * *

● (1415)

[*English*]

HEALTH

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the health care system in this country is now in serious crisis; five–month waits for heart surgery, thirteen–month waits for hip replacement, and increasing numbers of bed closures are now commonplace.

Every year tens of thousands of Canadians are shocked into reality when they find out timely and accessible health care is not available to them. The primary reason for this is there is not enough money to pay for the demands on our health care system.

The time for solutions is now, otherwise we will see the demise of publicly funded health care in Canada. Therefore we must define essential health care services and ensure that all Canadians are covered regardless of their financial status. We must amend the Canada Health Act to allow the provinces to work with different funding models. We must also ensure federal funds given to the provinces go to health care and are not siphoned off into other programs.

We must be innovative to work to ensure that high quality, accessible health care is available to all Canadians.

The Speaker: Before we proceed to question period there is a point of order which I will permit from the hon. member for Kingston and the Islands.

Mr. Milliken: Mr. Speaker, I think you will find unanimous consent to proceed immediately with statements by ministers. Following the minister's statement and the two normal responses from each party in opposition, I think you will also find

a disposition on the part of the House to permit the hon. member for Kamloops to say a few words.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

V–E DAY

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it gives me great pride to rise this afternoon in this place of piece to mark the 50th anniversary of the end of the war in Europe.

On May 8, 1945, before some of us were born, Canadians old and young paraded in the streets, gathered on Parliament Hill, lit victory bonfires; church bells rang and children shouted in joy. The second world war was over in Europe and loved ones would soon be coming home.

With the news that the great war was over so too was the worry that a father or a son, a sister or a friend would not live to see and feel the peace for which they had fought and for which so many had died.

In the homes of Canada the sounds of victory that bellowed from Europe echoed like a profound sigh of relief.

[*Translation*]

And for those who had lost a loved one in the war, there was at least the consolation that others would not have to suffer from the same pain that gripped them, and that the war would no longer make young widows out of young brides.

Today, thousands of Canadian veterans are commemorating this anniversary in a very special way: They returned to Europe's battlefields of 50 years past. They returned to say their goodbyes to friends who are dead but not forgotten. Several of them returned to Holland, a grateful country which warmly welcomed them. They were greeted as liberators. They were showered with the same love and exuberance that they received in the spring of 1945.

[*English*]

Today, as they did 50 years ago, the Dutch people are welcoming Canadians into their homes and hearts. They are showing the gratitude that a people have for their liberators; the gratitude of a people who know what freedom is because they had it taken away. It is the gratitude that a people have for the soldiers, some of whom are in the gallery today, who ended their starvation and who fought a desperate battle against a vicious enemy. It is the gratitude for the young Canadian soldier far away from home who fought beside a brother at one moment and then in a burst of fire became a memory the next. It is the gratitude for those young Canadians who fought through the cold and the mud, through the rain and the blood, through the pain, until the people of Holland found their liberation and Europe found its victory.

Ik bedaank het nederlandse volk for de gast vrijheid.

The battle in Holland was not a battle for conquest; it was a battle for freedom. It was battle that cost the lives of 7,000 young Canadians who lie buried in the peace they won.

Canada paid a great price for that peace. It is a price we measure each time a veteran sees a small Dutch child, as we saw today near Parliament Hill. It is the price of making the world safe and decent for all our children. It is the price our country was willing to pay.

• (1420)

[*Translation*]

This morning, the MPs of this House attended ceremonies to honour the sacrifice of those who served Canada in those six years of conflict. We gathered at the War Memorial to pay tribute to those who gave their lives for freedom and to honour the peace we inherited from them.

In his eloquent speech at the Groesbeek cemetery in Holland on Saturday, the Prime Minister said: "You made it possible for us to live, grow and prosper in peace. Your legacy is a proud and independent country which grew from infancy to adulthood during the war".

[*English*]

On this day, the 50th anniversary of V–E Day, we oblige ourselves to preserve this legacy for all the days to come. We oblige ourselves to keep this vigil of peace constant from parent to child, from teacher to student, from generation to generation.

We pay tribute to their great sacrifices and to the ideals that inspired those sacrifices. Canadians fought and died on the fields of Europe to preserve the democratic ideals that make Canada the envy of the world.

Today we stand proud on the world stage because 50 years ago our veterans dug in and told the enemy: "We are the Canadians. We are the bitter enemy of your oppression. We will not rest until your tyranny has ended. We will not rest until we share our freedom with the world".

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, exactly 50 years ago the war ended in Europe and the end of the world conflict, which came on August 15, 1945 with the surrender of Japan, seemed imminent.

Today we celebrate the triumph of freedom and democracy. But we also commemorate the sacrifices made by those to whom we owe this victory and this legacy of freedom and democracy.

The road to victory was a long and arduous one. From Italy to France, from Belgium to the Netherlands, tens of thousands of our soldiers gave their lives to liberate Europe from its oppressors.

[*English*]

Today we want to thank them, all those who served on the front, the sailors and airmen from every part of Canada, the merchant seamen, the nurses, all the men and women who risked or lost their lives in order to defeat tyranny.

We must never forget that more than a million of our fellow citizens enlisted in the Canadian forces during the second world war; 100,000 were wounded and more than 45,000 made the ultimate sacrifice.

Although far from the conflict, the whole of the American continent was profoundly touched by the war that had inflamed Europe. As thousands of young people left for the front, thousands of other citizens contributed to the war effort on the home front in the factories, on the farms and in the militia.

[*Translation*]

I would like to recall the particularly heroic role played by thousands of soldiers from Quebec who fought in the Netherlands, side by side with their fellow citizens from other Canadian provinces. There was the Régiment de Maisonneuve, the Fusiliers Mont-Royal, the Royal 22e Régiment and the Régiment de la Chaudière.

The extent of human loss and the horror of the suffering inflicted on nations during this endless war are beyond belief. The figures themselves which refer to thousands of dead are shocking but fall far short of expressing the grim facts. For instance, they do not reflect the horror of the concentration camps and the genocide of the Jews.

And at home, who can adequately describe the sorrow of mothers and fathers who lost a son in the flower of his youth? What can we say to widows and orphans, brothers and sisters, bereft of a loved one who went overseas and met a hero's fate on the battlefield? The most eloquent and authentic memorial to those who died is the silence that prevails among the little crosses that mark the grassy graves, row on row, in cemeteries spread over Northern France, Belgium and the Netherlands.

These people went into battle and these lives were sacrificed so there would be no more wars and so future generations would be spared this horror and suffering. Unfortunately, many bloody conflicts are raging throughout the world.

• (1425)

And now, consider those who have accepted the responsibility for maintaining peace in the world. I am thinking of the UN peacekeeping force and especially our Canadian soldiers now on peacekeeping missions. Every day they witness acts of atrocity against civilian populations.

The ceremonies being held today hold out some hope that the world will remember the horrors of the second world war and learn the lessons it teaches us.

Mr. Speaker, we must continue to thank those who died and those who survived this monstrous tragedy. Let us honour their memory.

[*English*]

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, as we celebrate the 50th anniversary of the victory in Europe, V–E Day, let us give meaning and commitment to our promise to remember.

Let us truly remember the people involved, in particular our service people, our merchant seamen, the men and women of ferry command and civilians overseas. Let us truly remember also those who served in Canada, including the families of those overseas.

Let us truly remember those who were killed or wounded in action. Let us remember what Stan Waters, a former commander of the Canadian Armed Forces, once told us, that there are no hyphenated Canadians in the graveyards of Europe; just Canadians period.

[*Translation*]

Let us remember those who were wounded and those who lost their life. We must not forget Stan Waters, a former commander in the Canadian Armed Forces, who once told us: "There are no hyphenated Canadians in the graveyards of Europe, just Canadians period".

[*English*]

Let us truly remember the millions who died in the Holocaust and the millions of civilians who were killed during the war around the world and let us truly remember and honour those who made it safely through to V–E Day, many of whom are still with us.

Let us truly remember that the struggle for freedom, liberty and democracy is never over. It goes on all over the world, including here in Canada. It is not a struggle to be taken for granted.

This principle is captured in the motto of the supreme headquarters of the allied powers in Europe: "Vigilance is the price of liberty". This principle can be captured here in Canada without a motto by declaring that if we value freedom and democracy we must work at retaining or improving it every day of our lives.

Let us celebrate the anniversary of V–E Day by truly remembering the price of freedom was not just paid in the past. Let us honour the sacrifices of the past by discharging with meaning and commitment our ongoing obligations to the preservation and improvement of democracy today.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, today marks the 50th anniversary of the end of the war in Europe. Some 500,000 Canadian veterans of World War II are still with us today to rejoice in the V–E Day celebrations. They, along with their families, friends and all who supported them, are very special people, for they serve to demonstrate that good can triumph over evil. They left home and country and travelled to foreign lands and seas to combat tyranny and oppression.

Today we pay tribute to their great sacrifices and to those ideals of peace, freedom and democracy that inspired those sacrifices.

While tens of thousands commemorate the anniversary throughout Canada via a number of venues, many vets have returned to Europe to revisit old battle sites, to tell a new generation about the horrors of war, to reacquaint themselves with old friends and make new friends; especially to remember their fallen but not forgotten comrades, the 45,000 who paid the ultimate price so that we may know a legacy of peace and freedom today.

In the *Glen*, the regimental newspaper of the Calgary Highlanders, is published a short poem with the heading "The War in Europe is Over!" It reads:

We came from all walks of life from coast to coast
Making one of the finest fighting forces in the the world
Yes, unity was achieved and victory was the result
Soon we expect to go home and back to a normal life
Let us not forget
Let us not allow ourselves to fall for lies or propaganda
Which will have French–speaking Canadians against
English–speaking Canadians, Jews against Catholics
And Protestants against Catholics
East against west
We must go back and maintain our unity achieved through
Sweat and blood
We won a great victory for mankind
Above all we must remember those comrades of ours who gave
Their lives fighting to make a world which will know no war
And in which there will be real happiness for all
Let us go back together as Canadians to make Canada
A happy place for all
We must not fail

• (1430)

For all who cherish freedom today, remember to thank a veteran.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*Translation*]

JOB CREATION

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, on Friday, Statistics Canada reported a decline in the unemployment rates for Canada and Quebec. There is, however, a sad truth behind its report, since the decline can be explained, not by an increase in the number of jobs, but by the departure of 38,000 people from the labour market. If the level of unemployment is dropping, it is because the unemployed are giving up trying to break into the job market and are abandoning all new efforts.

My question is for the Minister of Human Resources Development. With the lack of job creation measures and with cuts of more than $6 billion to unemployment insurance, does the minister realize that the sole effect of his government's action in the past 18 months is to hide the actual number of unemployed, rather than reduce unemployment?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I point out to the Leader of the Opposition that over the past year Canada has seen the highest level of job growth of any of the 22 countries of the OECD. There have been 461,000 jobs created in this country. It is the best job growth number.

That is not enough and we want to continue. Much of that has been as a result of the government providing the major stimulus. We can see over 100,000 of those jobs attributed directly to the infrastructure program, which was a major election commitment we made. We have provided stimulus right across Canada. Thirty thousand Canadians alone have been affected by new employment and new opportunities through our strategic initiatives and a number of other areas.

We certainly are not saying it is sufficient, but it is on the right track. All that is lacking is the full dedication of all members of this House to the crucial issue of job creation rather than spending their time on other issues which are not as relevant to the people of Canada.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister talks enthusiastically of job creation, but he is forgetting to mention that no jobs have been created in Canada in the past five months.

Instead of focussing on creative measures, talking about regional development and committing to defence industry conversion, will the minister acknowledge that all he is doing at the moment is considering a project that would reduce the number of Canada employment centres from 100 to 30, as proposed in a document produced recently by his department?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am sure the hon. gentleman would want to apologize for the absurd statement he just made that not one job has been created in the past five months. Several thousand jobs have been created in the hon. gentleman's own riding.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the government always quotes statistics for a full year. I would ask him to check his figures for the past five months.

Since the federal government has shown it is incapable of fighting unemployment creatively, and since the problem has taken on such proportions, particularly in Quebec, where we have over 800,000 people on welfare now, how does the Minister of Human Resources Development explain the federal government's stubborn refusal to give the Government of Quebec jurisdiction in matters of manpower training, when it alone can establish the appropriate and integrated measures that will really create jobs?

• (1435)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the claim made by the hon. Leader of the Opposition is interesting. Only a few weeks ago the minister for manpower in the province of Quebec admitted that the SQDM itself was not up to doing the job and is now subject to a major review.

The hon. member is suggesting that we transfer the large network of investments we have provided in this country over the past 50 years to help Canadians get back to work to an organization which itself is subject to review by its own provincial government. I do not think that is a good investment. I do not think the people of Quebec would like to see us provide that major rupture in the opportunity to provide for the chance of Quebecers and Canadians to get jobs.

What would be far more appropriate is if the hon. Leader of the Opposition and his counterparts made a real dedication today to start working with us in a co–operative partnership. We could combine all our efforts and all our resources for all Canadians.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, my question is for the Minister of Finance. Last Friday, the governor of the Bank of Canada, Mr. Gordon Thiessen, confirmed to the finance committee that the bank's current monetary policy is similar in every respect to the one pursued by his predecessor. In fact, the governor referred to the continuity of the bank's policy.

Does the Minister of Finance confirm the governor's comments that the Bank of Canada's current monetary policy is similar to the one which was in effect under the previous government?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I already said a number of times in this House that we disagreed with the Bank of Canada's policy during the last recession, when interest rates were going up. But, we certainly agree today with the bank's policy, given the current objective of having and maintaining a low inflation level, and given the high price paid to achieve that goal.

It is in the interest of the Bloc Quebecois and everyone else to keep inflation low, because this is a major asset for job creation.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, does the minister realize that, if we are not careful, we could, as mentioned in the most recent report of the Bank of Canada's governor, recreate the situation which prevailed in 1990, when Canada was the first country to go into a recession, before the United States, before Europe, before the rest of the world, because of a policy of excessively high interest rates? The governor of the Bank of Canada confirmed that last week. We are doing exactly the same thing again.

How does the Minister of Finance explain that the Bank of Canada's policy remained the same under his government, particularly in light of the fact that there are 800,000 fewer jobs than in 1990, and also considering that, before he took over the finance portfolio, he felt that this policy had a devastating effect on economic growth and job creation? There are 800,000 jobs gone.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member must first tell us if he wants to keep inflation down, if he accepts the one to three per cent bracket. If he does not accept it, then let us have a debate on the issue. If he does accept it, I am sure he will agree that we must anticipate inflation.

In any case, I find the hon. member's question somewhat puzzling, given that, in the last month, interest rates have gone down at least four times. There is a very distinct downward trend. I do not understand the timing of the hon. member's question.

[*English*]

The member, following on the Leader of the Opposition, talks about job creation. The Minister of Human Resources Development pointed out very clearly that the numbers upon which the Bloc Quebecois is relying are simply not correct and that in fact there is job creation. Simply to fill in the answer given by my colleague, in the last quarter alone there have been 100,000 new jobs created in the private sector. The other side ought to know that.

* * *

TELECOMMUNICATIONS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, at one point in time the policy of the government

respecting direct to home satellite communications was to restrict access to a Canadian owned and operated company. Two weeks ago the federal cabinet overturned that CRTC decision.

• (1440)

The Minister of Industry said the cabinet did so because it favoured more competition and that any links to Power Corp., a direct beneficiary of the decision, were merely coincidental. However, the government also abandoned its own time line for implementing that decision and adopted Power Corp.'s recommendations in that regard as outlined in a memo to the Minister of Canadian Heritage.

How does the Deputy Prime Minister explain the fact that Power Corp., a Liberal connected firm, so completely influenced the content and the timing of a cabinet decision in which it had a direct interest?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, as has been previously debated very fully in the House, a cabinet decision was made by the Government of Canada to protect competition and to protect Canadian consumers. I am sorry the leader of the third party is not interested in the view of the Canadian consumers who have overwhelmingly supported the decision that we have taken to review the licensing procedures which were set out rather discriminatorily by the CRTC.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the issue is not competition. The issue is insider influence and potential conflict of interest.

Power Corp. told the government to abandon its original time line and cabinet threw out the original time line. Power Corp. told the government not to alter the DTH policy panel's report and the government did not change the panel report. Power Corp. instructed the government to seek CRTC support for the changes and the government dutifully trotted off to see if it could get CRTC's support. It looks like cabinet did everything Power Corp. asked for and then some.

Why was Power Corp., a major player in the direct to home satellite business, allowed to set government time lines and policy in these matters?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the leader of the third party says that this issue is not about competition or consumer choice. It is exactly about consumer choice and competition.

That is why the Consumers' Association of Canada in a letter to the government on April 19 pointed out very specifically it was very concerned that preference may be given to one Canadian direct to home company over another. It said that what was even more disconcerting was that there may be an attempt to mothball this technology until a time when cable companies and telephone codes have overcome any technological edge. CAC believes the recommendations of the policy review panel argument address the issue of cultural protection in a fair and practical manner. The letter states: "I realize my language is strong, however it reflects the general frustration felt by many consumers".

This government decision was about protecting Canadian consumers and offering choice in television viewing, something the hon. member should understand is an important part of Canadian cultural policy.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the Deputy Prime Minister reads briefing notes to answer a question I did not ask.

What we object to is not competition in the industry. What we object to is the process of policy making and its susceptibility to influence by the Liberal family compact. The Canadian owned Expressvu has well established ties with the CRTC. Power DirecTv is part of the Liberal family compact as well. It is time to clear the air.

What changes is the government proposing to the broadcast licensing process to ensure that policy making is open, transparent and free from undue insider influence?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, unlike the leader of the third party who seems more interested in protecting a particular interest, we have an interest in ensuring full competition, transparency and protecting the Canadian consumers. That is why we have brought the issue to the most open and democratic forum in the country, the Parliament of Canada. That is where the issue will be decided.

If the member has a charge to make, he should make the charge. If the member believes in fair and open competition and consumer choice in the emerging satellite television industry, then why does he not join us in debating, discussing and reforming these issues on the floor of the House, which is exactly what we have proposed?

* * *

[*Translation*]

LOW LEVEL FLIGHTS

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment.

Last Monday, the Minister of National Defence announced that the government had approved the Canadian Forces plan to almost triple the number of low level flights over Labrador and northern Quebec.

• (1445)

Yet, the environmental assessment panel reviewing the issue had recognized the obvious need for monitoring studies and other efforts to identify any negative effect to the extent possible.

Will the Minister of the Environment admit that the decision made by her colleague, the Minister of National Defence, is environmentally risky and flies in the face of prevention and sustainable development?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think that the federal government's decision to increase the number of low level flights follows a recommendation by the Quebec Premier's spokesman on native issues, Mr. Cliche, who said in the April 6, 1995 edition of *Le Devoir*, and I quote: "It remains to be demonstrated whether or not the impact is acceptable to the population. That is why a research institute must be created". That was the recommendation of the Quebec Premier's spokesman, and we followed it.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I think that the minister did not follow this matter very closely. In fact, many representations were made by aboriginal people complaining about the effect of low level flights on the environment and their quality of life.

Does the Minister of the Environment undertake to include in future agreements with Canada's allies a clause providing for the cancellation of contracts as soon as the environment and the local populations start feeling the negative impact of these flights?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, in response to the first question, I tried to emphasize that representations for the creation of a research institute were made by the Quebec Premier's spokesman, among others. We therefore decided to establish the institute in question.

As far as I know, Mr. Cliche is the Quebec Premier's spokesman on native issues. We are now working with the Minister of National Defence and the Minister of Indian Affairs to ensure that the institute to be put in place by September will be responsible for reviewing other issues besides the environment.

We know that the studies conducted over eight years did not show an environmental impact. Obviously, the decision on where the flights will take place will be made by this new institute we are creating in collaboration with the Minister of National Defence and the Minister of Indian Affairs.

[*English*]

ATLANTIC GROUNDFISH STRATEGY

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, to become a recipient under the Atlantic groundfish strategy program one must prove "an historical attachment to the groundfishery" but not need.

It was reported this flaw allowed Prince Edward Island's snow crab fishermen to make $200,000 last summer, then only five weeks later collect $340 per week under the TAGS program. Why? Because they once had an historical attachment to the groundfish industry.

Will the Minister of Human Resources Development amend his disastrous social program experiment so that need is the primary eligibility criteria?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is a real disservice to criticize a program which is providing important benefits for close to 30,000 Canadians as a disastrous experiment.

We are giving an opportunity to people whose industry has collapsed to find not only a way of maintaining income benefits for their families, but also to begin to find some way to make adjustments to new jobs and new employment opportunities, a program that has been in effect for nine months.

It constantly amazes me that the Reform Party is so anxious to overturn and discredit initiatives designed to help Canadians deal with their immediate problems. It shows that whatever notion there is about Reform, it has nothing to do with investing in people.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I would like the minister to stand up before Canadian taxpayers and say that giving people who make $200,000 a year more money is an important benefit to the country.

• (1450)

TAGS is now at least $385 million in the hole. Funds are being diverted from training, the most promising component of the program, to cover the shortfall. As illogical as it seems, the minister continues to defend giving those who make over $200,000 per year financial support.

Given the serious financial constraints of TAGS, will the minister now focus the few dollars we have left on those people who really need the money and not on those making over $200,000 a year?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one of the reasons there are cost

overruns in the program is that since the program was announced over nine months ago, my colleague, the minister of fisheries, for reasons that are totally beyond the control of anyone certainly in this Chamber, has had to close down 14 additional sectors of the fishing industry.

That kind of calamity, which is the result of a ecological disaster being visited on us, is the reason why the program is facing the kind of pressures it is.

As I said in the House last week, we have established an independent evaluation through Price Waterhouse which has given us a series of clear recommendations on how to correct those programs. The recommendations are now being implemented, including those which apply to income testing.

At the same time we have to continue to apply the test of fairness to those who have had attachment to the fishery so we can begin to provide an alternative for them to be removed from the fishery.

Clearly fairness is not a word in the Reform Party's vocabulary.

* * *

[*Translation*]

WORKING LANGUAGE IN THE PUBLIC SERVICE

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is for the President of the Treasury Board.

Last Friday, in response to a question we had put to him, the Secretary of State for Parliamentary Affairs said that, upon returning to the House, the President of the Treasury Board would be able to provide us with an answer regarding the damning statistics on the working language of public service employees in the national capital region. Indeed, the latest report released by the Commissioner of Official Languages shows that only 44 per cent of francophone federal employees in the Ottawa–Hull area are able to work in French when not dealing with public inquiries.

How can the President of the Treasury Board not see in the fact that only 44 per cent of francophone federal employees in the national capital region are able to work in French an utter failure of institutional bilingualism?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, as the official languages commissioner also pointed out, there has been improvement and yes, more improvement is needed.

The official languages commissioner and Treasury Board have co–authored a brochure that deals with the question of language of work and the rights and responsibilities of public service employees. That is being distributed now.

Second, the commissioner made a number of recommendations on how we can strengthen language of work. We agree with all of those recommendations and will implement them.

Third, we will conduct audits to ensure that they are implemented and that the rights and responsibilities of public service employees in the official language of their choice is in fact respected.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I appreciate the good will demonstrated by the President of the Treasury Board but there are other problems. I will point out to him that the Commissioner of Official Languages also confirmed that French was hardly ever used in written communications between public service employees in the national capital region.

How can the President of the Treasury Board tolerate that, in the federal capital, only one out of ten French speaking employees can use French in written communications?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, a great deal of communication goes on in the French language and there should be more. There should be a comfort level for employees who have that as their mother tongue to be able to use it in correspondence.

We encourage deputy ministers and other officials at the beginning of a meeting, as I have done most recently at the beginning of a couple of meetings, to welcome everyone to use the official language of their choice so that we can give real meaning to the language of work policy.

* * *

• (1455)

INDIAN AFFAIRS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, since I did not get an answer last week, I would like to ask the Minister of Indian Affairs and Northern Development about the allegations of widespread sexual abuse at the Lac Barrière reserve.

The minister has apparently known about this for months. Why has he done nothing?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, this is a criminal matter. The police are investigating.

Our position in any of these investigations is to co–operate with the police, provide assistance and any information we have. However, we have to stay at arm's length from any criminal prosecution.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, let us try another one. At the same reserve we now have allegations of financial misappropriation through paying $255,000 in legal fees to a co–president of the aboriginal committee of the Liberal Party. How does the minister justify this?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, again this is an allegation of criminal events. It is up to the Sûreté to do the investigation. We will co–operate fully with the police.

* * *

[*Translation*]

GREEN PLAN

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, my question is directed to the Minister of the Environment.

The latest federal budget marked the end of the Green Plan introduced in 1990 by the previous government. The Minister of the Environment has, to all intents and purposes, confirmed that this program, which before its funding was gradually cut back represented a unique environmental initiative, has been phased out for good.

In November 1993 the Minister of the Environment said that many positive things had come out of the Green Plan and she did not want to make sweeping changes just to be able to say she was the new minister.

That being said, why did the minister drop the Green Plan?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, we did not drop the Green Plan. In fact, we built on what the previous government left behind. Unfortunately, under the previous government, 60 per cent of the environment budget was sunsetting funding, to expire after five years in the case of the Green Plan and the St. Lawrence action plan.

Thanks to the Minister of Finance, instead of having 60 per cent of its project funding at risk, Environment Canada's budget consists totally of long term and secured projects.

In the case of the St. Lawrence action plan, for instance, we no longer have to go back to cabinet for additional funding, since the project is 100 per cent funded through the annual budget. And the Green Plan, which was about to expire and was cut three or four times by the previous government, will no longer be subject to the political whims of the day.

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, my supplementary is also directed to the Minister of the Environment.

We on this side of the House understood, despite what the minister just said, that the Green Plan had been cut by the government opposite.

That being said, does the Minister of the Environment realize that without the Green Plan, her environment commissioner will be similar, in a way, to the commissioner of official languages, and will observe and criticize, year in year out, and will not have the tools to take any kind of action?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I want to repeat the answer to the hon. member so there is no misunderstanding.

Until the last budget, 60 per cent of the funding of Environment Canada was sunset funding. It meant that at any time, if one wanted to pursue the Great Lakes action plan, if one wanted to pursue the St. Lawrence action plan, if one wanted to pursue the North American waterfowl management plan, one had to continually go back to cabinet. Only 40 per cent of funding was long term and secured.

As a result of the work of the Minister of Finance, we now have 100 per cent long term funding. The green plan money that was scheduled by the previous government to run out after the election will be rolled into the permanent budget of the Department of the Environment so that we may have long term, 100 per cent funding which is not be subject to cuts by individual ministers for photo ops.

* * *

• (1500)

WORLD BANK AND INTERNATIONAL MONETARY FUND

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, I have another question for the Minister of the Environment.

The World Bank and especially the International Monetary Fund are slow in making environmentally sustainable development a priority. In light of Canada's financial support of these institutions and the recent discussions at the Hamilton meeting of the G–7 environment ministers, can the minister tell us whether the G–7 leaders in Halifax will discuss measures that would turn the World Bank and the International Monetary Fund into environmentally sustainable institutions?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I appreciate not only the question of the hon. member but the work he put into the preparation phase for the G–7 environment ministers meeting.

I want to underscore the consensus at the G–7 environment ministers meeting that in the review of international institutions, in particular the IMF and the World Bank as the ministers of finance are calling for more transparency so we are very specifically calling for more environmental transparency and more recognition of the fact that sustainability and sustainable development must be a very key part of any decision making on lending practices of the IMF and any practices of the World Bank.

Underlining the need for transparency, an open public process and sustainable development are the keys to any real reform of these international institutions.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, can the Deputy Prime Minister confidently stand in the House today and state publicly for the record and for the benefit of the provinces, which will be burdened with the administrative nightmare of Bill C–68, that the Liberals' gun legislation is constitutional in all its aspects?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Yes, Mr. Speaker.

Mr. Jack Ramsay (Crowfoot, Ref.): I thank the Deputy Prime Minister for that answer.

Questions remain unanswered regarding whether sections of Bill C–68 may be contrary to the charter of rights and freedoms. The constitutionality of Bill C–68 is in question, and courts in Alberta and B.C. have declared the orders in council under Bill C–17, which have been used again by the Minister of Justice, to be invalid.

Would it not be prudent for the government to resolve these matters before proceeding to ram Bill C–68 through before the summer recess?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, there is no intention on the part of the federal government to ram the bill through Parliament, nor is it the intention of the federal government to delay the bill unduly. It is taking a natural course through the House of Commons.

It is presently before the standing committee. We have witnesses and the witnesses are making excellent presentations. It is going as it was meant to go, and hopefully we will receive further good testimony from the witnesses, which we can review and perhaps make substantive amendments to the bill before it leaves committee.

[*Translation*]

GENETICALLY ALTERED FOODS

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health.

Health Canada recently approved a variety of genetically altered tomatoes for import into Canada, without any studies being done on the long term effect of this product on consumers.

How does the minister explain the government's rapid capitulation to the forceful lobby of the American company Calgene and its approval of this product solely on the information provided government officials by the company?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, Health Canada approved this product for import, because scientists at the Department of Health are satisfied that it presents no danger to Canadians and must be safe.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, let me say that the response the minister has given us is very reassuring.

I have a supplementary. Given that a number of genetically engineered products will be submitted to Health Canada for approval in the coming months, would the minister assure us that she will require Health Canada to undertake more serious studies before approving such products?

• (1505)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the people at Health Canada are there to protect the health of Canadians. They take their work very seriously and will continue to do so.

* * *

[*English*]

CONFERENCE ON TOBACCO USE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, the government is sponsoring an anti–tobacco conference in none other than the beautiful Italian resort of Bellagio. Last week the Parliamentary Secretary to the Minister of Health said the government is not donating a single penny to this conference. Yet information shows that Health Canada is giving $900,000 and the International Development Research Centre, a crown corporation, is giving another $2 million of the taxpayers' money to fund this conference.

Who is correct, the IDRC and Health Canada or the parliamentary secretary to the minister of Health?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, let me remind the hon. member that three million people die worldwide now as a result of tobacco. In our tobacco demand reduction strategy, a small percentage of the moneys allocated

were put aside for international tobacco control. Some of those moneys were given to IDRC.

I believe, as do the members of the government, we cannot conquer the tobacco problems simply by working within our own boundaries. We must extend our help outside to developed and developing countries.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I would like to inform the Minister of Health that she cannot suck and blow on her tobacco reduction strategy at the same time.

Some hon. members: Oh, oh.

The Speaker: If we keep having language like that this place is going to go up in smoke.

Mr. Martin (Esquimalt—Juan de Fuca): Mr. Speaker, the Minister of Health's own department showed that consumption of tobacco is up by 20 per cent in Ontario, Quebec, and New Brunswick in the last 10 months. Yet our tobacco reduction strategy just mentioned by the hon. minister has been cut by 50 per cent. Why is the government spending $3 million abroad while our smoking problem in Canada gets progressively worse?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I do not know where he gets all of his figures, but they are not always correct.

We are using the money from the tobacco manufacturers to combat their problems. During the tobacco demand reduction strategy the government imposed a surtax on the profits of the tobacco manufacturers. That is what we are using to combat tobacco and smoking.

* * *

DRINKING WATER

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Minister of Health.

A recent report from the Ottawa *Sun* indicated some provinces have not implemented federal government guidelines that regulate in our drinking water the levels of the cancer causing agent THM. What is the government doing to insist that the provinces adopt federal guidelines as soon as possible?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the quality of drinking water in Canada and the governing of such is a shared responsibility. In this case it is a shared responsibility among provinces, territories and municipalities.

The federal government does work with the provincial and municipal levels of government to set guidelines for water treatment. As mush as possible, we encourage other levels of government to adopt those guidelines, but that is as much power as we have in the matter.

* * *

• (1510)

[*Translation*]

NATIONAL DEFENCE

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the President of the Treasury Board.

The auditor general's 1994 report virulently denounced the poor management performance of senior defence officials that is costing us, and I quote the auditor general, "hundreds of millions of dollars annually". However, despite the cuts made at National Defence, four new assistant deputy minister positions, with average salaries of over $100,000, were created over the past two years. Furthermore, the pay scales for the deputy minister and the chief of defence staff were increased by $20,000.

In this period of fiscal restraint, how can the minister justify these indecent salary hikes and the creation of four new costly senior positions at the Department of National Defence?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, as to the specifics, the Minister of Defence is in the best position to answer exactly how his department is being run.

He and every other minister take the remarks of the auditor general very seriously and take the suggestions and try to work better cost efficiencies in all departments.

We are at the same time going through a downsizing in the public service as a result of the reduction in programs and services, again as a result of meeting our deficit reduction targets. Overall, in the Department of National Defence and all other departments there is a reduction in the number of employees by some 45,000.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I fail to understand the President of the Treasury Board's reply. He is in favour of cuts, yet new positions are being created.

Does the President of the Treasury Board approve of the new deputy minister positions and the salary increases, which go totally against the recommendations of the auditor general, who decries bad habits and the creation of these positions? Does the President of the Treasury Board approve of this?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, again, the Minister of National Defence is the one who runs his department and is the person who is in the best position to answer that question.

There are some shifts in positions. Some positions may increase in some areas and decrease in other areas. Overall there is a decrease, which is in accordance with the policy of the government with respect to getting its deficit and debt reduction program under control.

* * *

MEMBERS OF PARLIAMENT PENSIONS

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the Liberal government is continuing the concept of double standards, one for the politicians and the other for Canadians.

In the legislation it very quietly introduced one Friday afternoon and then attempted to jam through Parliament last Thursday, it is continuing one standard of pensions for ordinary Canadians and one set of principles for pensions for its members, their very own porky pension plan.

Why can the Deputy Prime Minister not understand that Canadians want her to lead by example and show restraint rather than padding her own pockets with her own porky pension plan?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the gall of the hon. member to get up after the whip of the Reform Party last week suggested a 50 per cent increase in the compensation level for members of Parliament, a 130 per cent increase in the salary.

The government has taken a responsible position by reducing MP pensions by some 33 per cent of the compensation package and at the same time setting a minimum age and ending double dipping.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I can understand why the Deputy Prime Minister did not want to answer the question, considering she is to be entitled to $2.7 million of this porky pension plan.

The Liberal leader, Gordon Campbell, in British—

The Speaker: When questions are addressed they are usually addressed to the minister who has the administrative responsibility for it, so it is not so much a personal question. The last question that was asked was answered, and rightly so, by the President of the Treasury Board. He is the one who has the administrative responsibility in this area.

I ask the hon. member to please keep that in mind as he formulates his question.

Mr. Abbott: Mr. Speaker, to the President of the Treasury Board, B.C. Liberal leader Gordon Campbell has said that elected officials should be treated no differently than other British Columbians when it comes to receiving pension benefits from taxpayers. Further, he states: "There should be a single standard for all people of this province with MLAs paying the same taxes, having the same choices as other British Columbians".

• (1515)

Does he disagree with the Liberal leader in British Columbia or is he trying to put one over on Canadians at the federal level?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I do not accept the exaggerated and extreme figures the third party manages to drag up.

It is incredible that the member would get up after one of the members of his party, the member for Calgary Centre, the whip of his party, to propose such an outlandish increase in the compensation level for the members of the House. That is not a fiscally responsible position. His party is not taking a fiscally responsible position on the question of MP pensions.

* * *

CANADIAN NATIONAL

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, my question is for the Minister of Transport.

On page 25 of the red book under the heading "securing new markets" it states Canada must resist Washington's hub and spoke approach to trade by providing political, demographic and economic counterweights to the United States.

Given those ideals, how did the government come to abandon that policy last Friday when it decided to make CN Rail shares available to U.S. interests which will inevitably pull Canadian export products through its economy and to its benefit?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I fail to follow the reasoning of the hon. member because, as he would know, Canadian Pacific has no restrictions on its share ownership. I have not seen and I am pretty sure the hon. member has not seen any major change in the way Canadian Pacific handles its shipments as opposed to CN.

The main reason for the decision taken on Friday is western farmers and people from coast to coast want to maintain competitive rail systems in Canada. We believe CN on a level playing field with Canadian Pacific is the best way to achieve that.

MINING

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, I have an important question for the Minister of Natural Resources.

In view of the strong provincial role in managing Canada's natural resources and the particular importance of mining to many areas of the country, especially northern Ontario, could the minister explain why it is appropriate that the federal government declare the second week of May national mining week?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, the government is very pleased to declare the second week of May national mining week.

We are all aware that a prosperous minerals and metals industry is very important to all of Canada and benefits the economy of all Canadians. We attach great importance to those areas of federal jurisdiction that relate to mining such as international trade, international environment and the science and technology necessary to understand and develop policies in relation to those areas.

We work in partnership with the provinces and industry in these key areas. All provincial ministers of mines, all provincial mining associations and the Standing Committee on Natural Resources of the House recommended the proclamation of such a week.

The Speaker: This would bring to a conclusion the question period.

* * *

[*Translation*]

POINTS OF ORDER

COMMENTS BY THE MINISTER OF TRANSPORT

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my point of order relates to remarks made by the Minister of Transport about a question I asked in this House on Friday, May 5, 1995.

The Minister of Transport said I had betrayed a confidence of this House and questioned my integrity because I was quizzing him about a current issue. I did not rise on a point of order on the spot because I could not believe what I had just heard, given the seriousness of the accusations.

Unfortunately, on checking *Hansard*, I found that what I had heard was indeed what the Minister of Transport had said.

My question is this: How can I have betrayed the confidence of the House by asking the Minister of Transport a legitimate question on an issue featured on the front page of such leading newspapers as *La Presse* and *The Globe and Mail* with regard to the government's decision to privatize CN?

The figures quoted in my questions did not come any lock–up but were taken from the comments—

• (1520)

The Speaker: Dear colleague, I reviewed last Friday's *Hansard* and read what was said. I also requested the videotape in order to see exactly what had gone on.

As far as the hon. member's question is concerned, it is not up to the Chair to answer and apologize, but I think that, at this stage, what the minister meant and what the hon. member understood is a matter of debate.

I will take this incident under advisement if you want me to, but at this point, I do not consider this to be a point of order. If there is more to it, I am listening.

Mr. Michel Gauthier (Roberval, BQ): For clarification, Mr. Speaker, when remarks are made which are ruled unparliamentary, can we request that they be withdrawn? I think that is what my colleague wants to know.

The Speaker: Absolutely. When unparliamentary terms are used, members may ask that they be withdrawn. It is up to the Chair to decide, however. According to what I read in Friday's *Hansard*—and if you wish I will reread and review what was said—at this point, I must say that I have not found that the language used at the time was unparliamentary. However, I will review the matter and report to you as appropriate.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 92 petitions.

* * *

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Mr. Richard Bélisle (La Prairie, BQ): Madam Speaker, I have the honour to table in this House the eighth and ninth reports of the Standing Committee on Public Accounts.

In its eighth report, the Standing Committee on Public Accounts reviews Chapter 29, "Collecting Income Tax Debts"; Chapter 30, "Goods and Services Tax: Audit and Special Investigations"; and Chapter 31, "Ensuring Fairness of the Income Tax System: Detection of Non–Filers and Special Investigations", from the 1994 report of the auditor general.

In its eighth report the committee makes a series of recommendations concerning these chapters.

In its ninth report the committee reviews two other chapters from the 1994 report of the auditor general of Canada, which concern the Department of Finance and Revenue Canada, namely Chapter 32, "Income Tax Incentives for Research and Development", and Chapter 33, "Tax Assistance for Retirement Savings". Following the review of the last three chapters, the committee formulates another series of recommendations.

Pursuant to Standing Order 109, the committee asks the government to table a comprehensive response to these reports.

* * *

• (1525)

[*English*]

PETITIONS

TOBACCO

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Madam Speaker, I have a petition which I wish to present.

The petitioners believe that since tobacco products are clearly linked to several diseases such as many forms of cancer, heart disease, stroke, emphysema and chronic bronchitis among others, and according to certain studies tobacco products can contain over 4,000 chemicals with as many as 43 causing cancer in humans causing some 38,000 deaths annually in Canada, the petitioners call on Parliament to remove the exemption for tobacco under the Hazardous Products Act.

The petitioners also believe in increasing the prices of tobacco rather than bringing in other enforcement provisions.

MINING

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

[Editor's Note: Member spoke in Inuktitut.]

[*English*]

Madam Speaker, pursuant to Standing Order 36, I am pleased to table today a petition signed by 190 people from the Northwest Territories, British Columbia, Alberta, Ontario and Quebec.

The petitioners bring to Parliament's attention the importance of mining to numerous communities across Canada. Through employment and exports of mineral products mining has a significant impact on Canada's gross domestic product.

Therefore the petitioners call on Parliament to increase employment in the mining sector, promote exploration, rebuild Canada's mineral reserves, sustain mining communities and keep mining in Canada.

Routine Proceedings

UKRAINIAN CANADIANS

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Madam Speaker, I have the honour to present a petition pursuant to Standing Order 36.

The petitioners call on the Government of Canada to deal with the House of Commons unanimous motion of September 27, 1991 and to settle, acknowledge and redress the issues to the mutual satisfaction of all Ukrainian Canadians throughout Canada.

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I rise pursuant to Standing Order 36. I wish to present a petition signed by a number of petitioners from my riding of Mississauga South.

The petitioners draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state the Income Tax Act discriminates against families that make the choice to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that do decide to provide care in the home for preschool children, the disabled, the chronically ill or the aged.

* * *

MEMBERS OF PARLIAMENT TRANSITION ALLOWANCE ACT

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.) moved for leave to introduce Bill C–324, an act to replace the allowance provided by the Members of Parliament Retiring Allowances Act with an allowance funded by members' contributions to assist their transition back to private life.

• (1530)

He said: Madam Speaker, it is my pleasure to introduce in the House today my private member's bill on members of Parliament pensions.

This bill is based on input from my constituents and represents what the average Canadian feels an MPs pension plan should look like. Unlike the current government bill on this issue, my bill would do away with the cash for life plan in favour of a privately controlled RRSP style fund with no contributions from the taxpayer. My bill would allow MPs to plan ahead for the future or provide them with funds for transition back into private life.

This proposal is fair to all MPs as they will all be treated equally. There is none of this trough regular and trough light

which we hear from the other side that will result from the current government's amendments. More important, Madam Speaker, if you can hear me through the din, it is fairer to the taxpayers as they are no longer forced to foot the bill.

I present this bill on behalf of the people of Nanaimo—Cowichan and thank them for their help in its development. I hope all MPs will take the time to carefully review the bill and if nothing else, come to the realization that what Canadians want is real reform of the gold plated pension.

(Motions deemed adopted, bill read the first time and printed.)

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I suggest that all questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2), because of the ministerial statement, Government Orders will be extended by 14 minutes.

GOVERNMENT ORDERS

[*Translation*]

VETERANS REVIEW AND APPEAL BOARD ACT

The House proceeded to the consideration of Bill C–67, an Act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other Acts and to repeal the Veterans Appeal Board Act, as reported with amendments from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): There are 12 amendments on the Notice Paper at report stage of Bill C–67, an Act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other Acts and to repeal the Veterans Appeal Board Act.

[*English*]

Motions Nos. 1, 8, 9 and 12 will be grouped for debate. A vote on Motion No. 1 applies to Motions Nos. 8, 9 and 12.

[*Translation*]

Motions Nos. 2, 3, 4, 5 and 6 will be grouped for debate, but will be voted on separately in the following manner:

(a) The vote on Motion No. 2 will apply to Motion No. 4.

(b) Motions Nos. 3, 5 and 6 will be voted on separately.

[*English*]

Motion No. 7 will be debated and voted on separately.

Motion No. 10 will be debated and voted on separately.

Motion No. 11 will be debated and voted on separately.

I shall now propose Motions. No. 1, 8, 9 and 12 to the House.

Mr. Milliken: Madam Speaker, I rise on a point of order. You might find consent to consider that the motions in group one which you have just indicated, assuming the members are here, can all be treated as having been put to the House without your having to read them.

The Acting Speaker (Mrs. Maheu): Does the hon. parliamentary secretary have unanimous consent?

Some hon. members: Agreed.

MOTIONS IN AMENDMENT

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.) moved:

Motion No. 1

That Bill C–67, in Clause 2, be amended by replacing lines 10 and 11, on page 1, with the following:

"vocates continued by section 7 of the Pensions Act;".

Motion No. 8

That Bill C–67, in Clause 46, be amended by replacing line 33, on page 12, with following:

"46. (1) The definitions "Chief" ".

Motion No. 9

That Bill C–67, in Clause 47, be amended by adding after line 33, on page 14, the following:

"7. (1) There is hereby continued under the Minister a bureau to be known as the Bureau of Pensions Advocates, consisting of a Chief Pensions Advocate appointed by the Governor in Council and such other pensions advocates, officers and employees as may be required for the performance of the duties of the Bureau.

(2) The Chief Pensions Advocate and each pensions advocate shall be appointed from among persons who are members of the bar of any province.

(3) The Chief Pensions Advocate is the chief executive officer of the Bureau and has supervision over and direction of the work of the pensions advocates and other staff of the Bureau.

8. The Bureau is not part of the Department but it shall make such reports to the Minister as the Minister may direct.

9. (1) It is the duty of the Bureau, on request,

(*a*) to provide a counselling service to applicants and pensioners with respect to the application of this Act to them;

(*b*) to assist applicants and pensioners in the preparation of applications for review or of appeals under the *Veterans Review and Appeal Board Act*; and

(c) to arrange for applicants and pensioners to be represented by a pensions advocate at hearings on review or appeals under the *Veterans Review and Appeal Board Act.*

(2) The relationship between the Bureau and a person requesting its assistance is that of solicitor and client, and the Bureau shall not be required in any proceedings before the Veterans Review and Appeal Board to disclose any information or material in its possession relating to any such person."

Motion No. 12

That Bill C–67 be amended by deleting Clause 101.

• (1535)

He said: Madam Speaker, the current situation with respect to veterans and their families is nothing short of appalling. Tens of thousands of men and women have risked their lives for this nation yet in their latter years, when they turn to the Department of Veterans Affairs for disability pensions, they run up against a bureaucratic nightmare. Before many make it through this quagmire they have passed on without being fairly compensated.

Veterans must wonder why the country they served so valiantly serves them now with such contempt. I find it passing strange that on a day when we are acknowledging the contribution of our veterans to this country, we are having to be critical about Bill C–67.

I want all my colleagues in the House to consider the following figures. The average turnaround time for veterans who apply for benefits is 18 to 20 months at first level. Due to the fact that the benefit of doubt clause has not been appropriately applied, only 30 per cent of cases are accepted. That is almost two years for veterans who currently average 73 years of age to find out their expected disability pension has been turned down. On the advice of their independent advocate, many appeal their cases, but this can take up to three years. Of those that appeal, 70 per cent end up receiving benefits; many may only receive a portion of the expected entitlement.

The situation is unacceptable. We are making thousands of veterans in their advanced years wait almost five years to receive a disability pension. Currently there is a backlog of 12,500 cases and 10,000 more veterans are expected to apply for benefits this year.

After being chastised by the subcommittee on veterans affairs, the government promised to act on behalf of veterans to correct this shameful situation. Bill C–67 is the government's answer.

One of my prime concerns with Bill C–67, and the thrust of Motions Nos. 1, 8, 9 and 12, is that it removes the right of veterans to have their first level application prepared by the Bureau of Pensions Advocates, which has been a very important body to veterans as some of our members across the way may well know.

Under the current system, each veteran's application is prepared by a trained independent lawyer. In addition, each veteran enjoys solicitor–client privilege. The government claims the use of the Bureau of Pensions Advocates by veterans at first level is too time consuming and is largely responsible for the current 18 to 20 month turnaround. However, page 50 of the report by the subcommittee on veterans affairs entitled "Keeping Faith: Into the Future" clearly states that application preparation by the Bureau of Pensions Advocates consumes at maximum five months of the 18 to 20 month waiting period and in most cases consumes only two months.

If the Bureau of Pensions Advocates overprepares its cases, why are 70 per cent turned down at first level? There is no logic in that. The removal of the Bureau of Pensions Advocates from the first level process is ominous for a number of reasons.

• (1540)

The veteran now relies on the department to prepare and adjudicate his or her first level decision. This is not only a conflict of interest but it also removes from the veteran the right of solicitor–client privilege. The importance of solicitor–client privilege cannot be understated.

In the subcommittee on veterans affairs report, "Keeping Faith: Into the future", Mrs. Frances L. Crummer, a witness who had been battling with the department for six years most eloquently states the need for solicitor–client privilege.

She states: "An important consideration which must not be forgotten is the average age and education level of the clients serviced by the bureau and the fact that most of them know little or nothing about how the system operates. Their link with the system is their advocate, the person in whom they place their trust". I can endorse this lady's reasoning from firsthand experience.

She goes on to say: "The solicitor–client privilege enshrined in the statute is one of the inherent strengths of the bureau and the Pension Act. It forms the basis for trust that the clients place in their advocate".

She goes on to say: "Changes could place clients in jeopardy and destroy their trust, not only in their advocate but ultimately in the system itself. No changes should even be contemplated to section 19 of the act which establishes the independence of the Bureau of Pensions Advocates. I feel it must remain independent of the department in order to properly service veterans and dependants".

What veterans face at first level could be an indifferent or incompetent pension officer who lacks the will or knowledge to inform veterans to pursue benefits to which they are entitled. I am also concerned that veterans may not be informed if they are able to apply for an appeal of the department's decision.

Even if the pension officers have the best intentions, I am not confident that the applications they fill out will be as good as that of the Bureau of Pensions Advocates. The end result could be a fast rate of first level rejections.

I foresee another difficulty with the Bureau of Pensions Advocates' being removed from the first level. Under Bill C–67 the size of the bureaucracy will be increased. The minister will be getting more power to influence the department's internal affairs. Under these proposals, the minister may have undue influence over the whole decision making process and the quality of service or rate of acceptance.

Departmental employees will be vulnerable to receiving direction which could deter them from encouraging veterans to pursue benefits and services to which they are entitled. They will also be under pressure to take part in fiscal restraint. Even an offhand remark by the minister could affect the way his staff deals with veterans.

With the current rejection rate of 70 per cent and an 18 to 20 month waiting period, I have no confidence that the removal of Bureau of Pensions Advocates from the first level will speed up the process and improve the acceptance ratio. Advocacy will suffer from a lack of continuity.

Currently an advocate from the bureau will deal with a veteran from first level to review and appeal stages ensuring that the advocate is familiar with the merits of their client's case throughout. Under the proposed system, the pension officer after first level will have no mandate to be involved in the case. Yet the Bureau of Pensions Advocates' lawyer would be unfamiliar with the case that has been passed on to him and would be unable to properly advise the veteran on the merits of his appeal.

A second aspect of this piece of legislation which concerns me is the proposal to join the Bureau of Pensions Advocates to the department. Again I am concerned about the chances of conflicts of interest arising and the lack of solicitor–client privilege. With the BPA restricted to hearing appeals and as part of the department, I fear that the Bureau of Pension Advocates may no longer provide the objective, expert, independent advice it currently offers, and it is good at it.

• (1545)

As departmental employees, they may become party to any cost cutting or ratios alluded to by the minister because they will now be answerable to superiors within the department. I fail to see how this will serve the best interests of the veteran.

I encourage all members of the House to support these important amendments on behalf of all veterans.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I am pleased today to be involved in the report stage reading of Bill C–67, a bill that promises to bring many benefits to Canada's veterans.

It is appropriate that we are discussing Bill C–67 today because of V–E Day and the tributes that have been paid by all members of the House to our proud veterans who are heroes to us all.

A year ago a commitment was made to veterans that we would cut in half the turnaround time it takes to receive a disability pension. I was at that committee meeting and we ensured that it was followed up in a relatively short time by standards in the House.

We have been moving step by step toward that objective. Veterans Affairs Canada has already introduced numerous measures to improve the administration of the pension system.

With the legislation we have before us for discussion today, we will now take one giant step toward our objective. Bill C–67 puts in place the legislative measures needed to make the pension system more efficient.

The legislation gives Veterans Affairs Canada the authority to make first level decisions. It focuses the efforts of the lawyers and the Bureau of Pensions Advocates on preparing appeals for veterans. It merges the Canadian Pension Commission and the Veterans Appeal Board into one appeal body with two levels of appeal.

We have worked to keep all veterans' benefits intact. This bill will not take away any of the benefits. I want to stress that. Veterans still have the right to a two–step appeal process. They can still count on the help and expertise of trained lawyers if their application goes to appeal. By making the appeal system more efficient, we will cut down on the time that it takes for veterans to get their pensions. That is what it is all about.

I thank the Standing Committee of National Defence and Veterans Affairs for its excellent work on the bill. As parliamentary secretary I sat in on all the briefings from all witnesses and all the discussions both in the steering and in the main committee.

I thank the hon. member for Labrador who chaired the committee and other colleagues who from time to time acted as chairman. The committee heard from many veterans, their spouses, former commissioners of the Canadian Pension Commission, former members of the veterans appeals organizations. We heard all their testimony.

Many points of view were brought to the committee table. Members of the committee discussed a wide range of issues that arise from the legislation. Like my hon. colleague across the

floor, I want to reiterate the respect that our committee has for Canadian veterans. I thank the witnesses and committee colleagues for their hard work.

We are very much aware of the debt of gratitude that Canada owes its veterans. Particularly over the last year, indeed, the last two years it has become very obvious that Canadians from all walks of life and from all across the country are taking time to reflect on just what our veterans have done to provide the freedom that we sometimes take for granted.

I will speak more generally to the motions and to the bill itself. I would like to stress something I said earlier. The whole purpose of Bill C–67 is really not to touch benefits. The principle of benefits is not involved. The principle of Bill C–67 is to reduce the time it takes for veterans to go through the process of application and the two levels of appeal. Indeed that is necessary.

I am disappointed that this was not done before. It is happening today. With the average age of veterans at 75 and particularly as some veterans are just now experiencing the effects of certain illnesses and discrepancies that may have occurred as long as 50 years ago, it is very difficult and time consuming to track down and document the information. It is even more important because of the average age and the difficulty as time goes on in going back through records to hone and to refine the process so that it reduces the time.

• (1550)

A matter of principle underlies all my specific comments on the motions as we go forward today. I will not be in favour of any amendment that increases the time it takes to provide veterans with the pensions that they rightfully deserve.

It is not a question of partisan politics. It is a question of the logic behind the motion. Does it increase the time? If it decreases the time I would be fully in favour of it. If the end result of the motion is to increase the time, then it is counter to the bill and I will not be able to support it.

I note also that all the motions put forward today are by members or stand–in members of the standing committee who had ample opportunity to raise these issues in the months that we had the bill under consideration. In may cases they come out of the blue and do not do anything for veterans. They certainly do not relate to any discussions we ever had in committee. I am not really sure of the impetus behind the motions. I cannot hold myself responsible for knowing what motivates the other side of the House.

In group one we are looking at Motions Nos. 1, 8, 9 and 12. Their intent, if I understood my hon. colleague from Nanaimo—Cowichan properly, is to keep the Bureau of Pension Advocates separate so that it will be available at the first level of application.

That runs counter to the central principle of the bill, a principle agreed to at second reading and accepted by the standing committee. The refocusing of the mandate of the Bureau of Pension Advocates away from dealing with the first level of pension claims to allow it to be active in the conduct of appeals was never once discussed in any detail in committee.

It was discussed in committee in a general sense. I do not remember any strong proposals being made by members of the committee following the various witnesses who appeared before us. We reached the consensus that was reported in the bill. I do not see any reason for changes. Quite the contrary, I believe the motion proposed would further impede the progress and would cause more time for the first application to be considered.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, consideration of Bill C–67, an Act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other Acts and to repeal the Veterans Appeal Board Act, is now at report stage before the House.

As you know, this bill seeks to restructure the process for the allocation of disability pensions to veterans. The bill also repeals the Canadian Pension Commission and transfers the responsibility of all initial decisions to the Minister of Veterans Affairs. It also establishes a board to review decisions and to hear appeals. Finally, the Bureau of Pensions Advocates, which was formerly an independent body, will now be integrated into the Department of Veterans Affairs. The bureau will deal with applications made to the new board.

This bill proposes many changes. The evaluation process regarding veterans' pensions has been the subject of numerous debates over the years, ever since the issue of providing a pension for any type of disability suffered by a member of the armed forces in the line of duty was first considered.

• (1555)

Issues such as compensation, eligibility to a pension, assessment of that pension, as well as the review and appeal process and the support offered to veterans were all discussed, not to mention time frames, arrears and certain discretionary actions taken by the department.

The pension system currently in effect is the result of all these debates and of all the legislative measures which followed. For example, we can think of the Woods committee, in the sixties, which led to the 1971 reform of the Pension Act. History tells us that laws follow changes: they do not trigger them.

It is precisely because of change that we are trying to make the processing of applications more flexible. Our top priority is to speed up the process so that veterans who are getting older

collect more quickly the pension to which they are entitled. We should remove any barrier that stands in the way.

This stage begins with the examination of four amendments moved by Reform members. If I am not mistaken, those four motions in the first group deal with two main points. The first is that the Bureau of Pensions Advocates should remain independent from the department. The second one is that the services of that Bureau should be available for first time applications.

Reform amendments would keep the Bureau of Pensions Advocates under the Pension Act. They want to maintain the independence of the Bureau and full access for applicants. However, it has not been demonstrated in committee that this would bring substantial benefits. In many cases, it would be a waste of time.

With the witnesses who appeared in committee, we discussed access to and independence of the Bureau. As a matter of fact, no study made in the last few years questioned the existence of the Bureau of Pensions Advocates. Neither the assessment of pensions in 1992 nor the Marshall report tabled last Fall questioned that. The consensus was that the Bureau should remain at arm's–length with the minister.

We should not forget the main thrust of this bill, which is to speed up the processing of applications. We know full well that, even when the services of the Bureau of Pensions Advocates were used at the very beginning, only 30 per cent of the claims made to the Canadian Pension Commission were approved. When the rejected claims were sent to the next levels of decision, the approval rate jumped to 70 per cent. Only 30 per cent of the Commission's decisions were maintained, despite the legal services provided by the Bureau.

But what is even more surprising is that Mr. Chartier, the chairman of the Canadian Pension Commission, was unable to answer our questions about the 30 per cent success rate of his organization compared to the 70 per cent success rate of the Board, which overrode 70 per cent of the first decisions made by his Commission. Mr. Chartier stated that he could not explain this difference and that he never thought about examining the issue. He told us he was very concerned about hanging on to work through careful scheduling of the files review.

I must say that what I found the most convincing during the chairman's testimony was his nonchalance in terms of the delays our veterans must face. We just have to support the department's bill even though an arbitrary decision can be made at the first level. The proposed merger is not such a bad idea after all.

The bill provides for the pensions advocates to deal with all the claims made to the new board which will be responsible for the reviews and the appeals. Hence, the free legal aid service will be maintained where needed. We hope that an increasing number of claims will be approved at the first level. This is the main object of this bill, to open up the pension allocation system and to make it a lot more flexible.

• (1600)

We think that a forms clerk or expert would be much more useful to help a claimant to complete the forms and make their way through the system. The goal here is to speed up the process while providing assistance at the review and appeal level to those who need legal advice or help in their approach. This is why we will oppose the amendments put forward by the Reform Party.

We will reject the Reform's motions to "judicialize" even more the process at the first decision level. We must trust the proposed change given the performance of the Canadian Pension Commission so far.

[*English*]

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion, the nays have it.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the recorded division on the proposed motion stands deferred.

A recorded division will also apply to Motions 8, 9 and 12.

[*Translation*]

Motions Nos. 2, 3, 4, 5 and 6 are grouped for debate but will be voted on in the following manner. The vote on Motion No. 2 applies to Motion No. 4. Motions Nos. 3, 5 and 6 will be voted on separately.

MOTIONS IN AMENDMENT

Mr. Maurice Godin (Châteauguay, BQ) moved:

Motion No. 2

That Bill C–67, in Clause 4, be amended by replacing lines 9 to 15, on page 2, with the following:

"4. There is hereby established an independent board, to be known as the Veterans Review and Appeal Board, consisting of

(*a*) not more than twenty-nine permanent members to be appointed by the Governor in Council after consultation with the government of each province and such committee of the House of Commons established or designated by that House to consider matters respecting veterans affairs; and

(*b*) such number of temporary members as are appointed in accordance with section 6."

Motion No. 4

That Bill C-67, in Clause 6, be amended by adding after line 25, on page 2, the following:

"(1.1) No appointment may be made under subsection (1) unless there has first been consultation in respect of that appointment with the government of each province and such committee of the House of Commons established or designated by the House to consider matters respecting veterans affairs."

Motion No. 5

That Bill C-67, in Clause 8, be amended by replacing lines 3 to 5, on page 3, with the following:

"8. (1) The Governor in Council shall, after consultation with the government of each province and such committee of the House of Commons established or designated by that House to consider matters respecting veterans affairs, designate a Chairperson and a Deputy Chairperson from among the permanent members."

Motion No. 6

That Bill C-67, in Clause 8, be amended by replacing lines 19 to 22, on page 3, with the following:

"(5) If both the Chairperson and Deputy Chairperson are absent or unable to act, a member designated by the Minister shall act as Chairperson.

(6) If the office of the Chairperson and the office of the Deputy Chairperson are vacant, the Minister shall designate a member to act as Chairperson and that member shall act in that capacity until such time as the Governor in Council designates a Chairperson and Deputy Chairperson under subsection (7).

(7) Where the office of the Chairperson and the office of the Deputy Chairperson are vacant, the Governor in Council shall, as soon as possible after the vacancies and after consultation with the government of each province and such committee of the House of Commons established or designated by that House to consider matters respecting veterans affairs, designate a Chairperson and a Deputy Chairperson from among the permanent members."

[*English*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.) moved:

Motion No. 3

That Bill C-67, in Clause 5, be amended by replacing lines 18 to 20, on page 2, with the following:

"(2) The terms of the permanent members appointed under section 4 shall be determined by lot, with ten permanent members to be appointed for a term not exceeding three years, an additional ten permanent members to be appointed for a term not exceeding six years and the remaining nine permanent members to be appointed for a term not exceeding nine years.

(3) Notwithstanding sub-section (2) and subject to subsection (4), a permanent member may agree with another permanent member to exchange the terms they were given under subsection (2).

(4) No permanent member shall hold office, whether by reappointment or by an exchange, for more than twelve years."

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, once again, I would like to stress that we are at the report stage of Bill C-67, an act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other Acts and to repeal the Veterans Appeal Board Act.

Need I remind you that this bill's goal is to restructure the entire allowance system for veterans' disability pensions? It abolishes the Canadian Pension Commission. It transfers responsibility for first decisions to the Minister of Veterans Affairs. It sets up a board which will be responsible for hearing review requests and appeals at every stage of the process. Lastly, it integrates the Bureau of Pensions Advocates, formerly an independent organization, into the department.

During the debate at second reading, we told the government that we agree with the basic principle of reducing processing time, but that we question the methods proposed in this bill to reach that goal. After consideration in committee, we concluded that, excepting senior officials and the government, most veterans' associations and individuals seriously doubt that this restructuration will reach the desired ends.

In addition, veterans are really worried about two issues: the increased powers of the department and their vested rights. That is why we seized the clause by clause review and now seize the report stage in the House as opportunities to propose improvements to the bill. We have attempted to meet the goal of reducing processing time while addressing their concerns.

One of the fears that keeps on resurfacing concerns the increased power of the minister.

• (1605)

We see the federal government concentrating more and more powers in the hands of fewer and fewer people. This tendency is a threat to equity in the case of our veterans. For the sake of efficiency it may be necessary to concentrate certain powers, but the only way to prevent abuse or monumental errors under such conditions is to provide for broader consultation mechanisms.

That is what the Bloc Quebecois had in mind when it proposed its amendments. I believe it is necessary for the government to proceed with transparency. It must consult with the provinces. It must control its centralist tendencies and its inclination to make decisions alone, as the lord and master, with respect to everything that concerns the public interest.

Partisan appointments are a real threat. Too often, political considerations tend to outweigh qualifications when appointing people to what are often positions of consequence. Lack of efficiency or bias in some public services can often be traced to such considerations.

The Bloc Quebecois hopes to counter this tendency to concentrate power, and that is the purpose of our contributions to the debate on bills like Bill C–43 on lobbyists, Bill C–65 and this particular bill. The purpose of all four amendments is to ensure that appointments to the new board are conditional on consultation with the government of each province and with the designated committee of the House of Commons.

Our amendments concern three clauses: clause 4, appointment of board members; clause 6, appointment of temporary members; and clause 8, designation of the chairperson and deputy chairperson and acting designations.

Clause 4 provides for establishing the new veterans review and appeal board, consisting of not more than 29 permanent members. As it stands now, the clause provides that these permanent members are to be appointed by the governor in council—in other words, the Prime Minister—without further ado. Our amendment proposes that permanent members be appointed after consultation with the government of each province and after consultation with the committee of the House. We felt that two consultations prior to any appointment provided sufficient guarantees that the appointment process would be valid. The process also gives appointees greater legitimacy.

We must not forget that the board's permanent members together form the staff of a quasi legal organization and must therefore be beyond reproach.

The same applies to the temporary members provided for under clause 6 of the bill. These temporary members will be employed for a particular term and for a specific duty in order to meet certain one time needs. In the case of this board, any number of persons may be appointed for a term not exceeding two years, but may be reappointed for one additional term. These temporary board members may be appointed to help alleviate the board's workload, which may have become too great through too great a backlog, too many cases or too many contested decisions. The appointment of the temporary members, like that of the permanent members, must, in our opinion, be reviewed by each province and the standing committee before taking effect. Otherwise, excesses could occur if this appointment system is not properly supervised, and nothing in this government's actions would rule out such a possibility.

Our third and fourth amendments concern clause 8, which pertains to the extremely important positions of chairperson and deputy chairperson of the board. Clauses 8(2) and 8(3) of the bill clearly define the role of the tribunal chairperson and, accordingly, all that the position involves. I would draw them to your attention, and I quote: "The Chairperson is the chief executive officer of the Board and has supervision over and direction of the work of the Board including the allocation of work among its members, the conduct of its work, the management of its internal affairs and the duties of its staff. The Chairperson shall make such reports to the Minister as the Minister may require respecting the use of the resources allocated to the Board". It is, therefore a very important role.

• (1610)

Consequently, we would like both the chairperson and deputy chairperson, who is to occupy the chair if the chairperson is absent, to be appointed in consultation with the provinces and the House standing committee. Should both positions become vacant, we ask that there be a two cycle mechanism. First, the minister would immediately choose replacements among the board members. Then, the vacancies would be filled the same way as initially, namely in consultation with the provinces and the House standing committee. With these interim appointments made by the minister, the board would not be left rudderless during the consultation process.

This, in short, is what the Bloc Quebecois is asking for, to make the appointment process more transparent. The federal government must learn to consult the provinces more often. Furthermore, appointments must no longer be made behind the scene, in the back rooms of power where the government admits only its friends, powerful lobbyists and the rich. Otherwise, even the best public administration system might fall prey to incompetence and arbitrary decisions.

We do not want this to happen to the veterans' pension assessment system. Twenty four years ago, the Minister of Veteran Affairs, the hon. Jean–Eudes Dubé, agreed in this House that it was essential that decisions concerning veterans be arrived at in the spirit of fairness and impartiality. I trust that the present government finds this equally important.

This is why I expect our colleagues opposite to support our amendments in favour of more transparent mechanisms.

[*English*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, I would like to address a few words under group two to Motion No. 3. I hope that is appropriate at this time.

A number of witnesses presenting their reports on Bill C–67 to the Standing Committee on Defence and Veterans Affairs complained about the length of time members could be appointed to the veterans review and appeal board. They felt that ten–year terms with eligibility for an additional ten years is excessive, and I agree.

Appointments with terms like this allow little opportunity for new blood to come into the system. They also allow the

government to stuff the board full of political appointees who will remain long after the government has gone.

Motion No. 3, which is our amendment to clause 5 of Bill C–67, will ensure that there is plenty of turnover, allowing a frequent infusion of new blood to the board. In addition, no government will be allowed to dominate the board long after it has been voted out of power. It calls for ten permanent members to be appointed for three years, ten more for six years, and the remaining nine for nine years. Permanent members will be eligible for reappointment, but no member will be able to sit on the board for more than twelve years. Provision exists for a permanent member to trade their term with another permanent member. Length of term is decided by lot.

I encourage all members to consider seriously this amendment. It would do much to defuse public criticism of political appointees.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I appreciate the comments made by both my colleagues on Motions 2, 4, 5, and 6 and on Motion No. 3.

I understand Motions 2 and 4 will be voted on as a group and then Motions 3, 5, and 6 will be voted on separately.

Let me speak about Motions 2, 4, 5, and 6 submitted by the Bloc. As I understand it, the thrust of these amendments would add delays to the process of appointing members to the veterans review and appeal board. This is surely counter to the thrust of the bill. The proposal as it is made will take time and it will slow the process down.

• (1615)

I believe it runs counter to the attitude expressed by the Bloc in committee where it seemed committed to helping veterans. In short, these amendments do absolutely nothing for veterans.

Further, the motions call for reasonable representation and appointments to be made after consultation with provincial governments and approval of appointments by the standing committee of the House. On the federal side the government is a national government which represents the interests of all Canadians. That is why we have 295 members from all regions of Canada. It has ensured and will continue to ensure appointments to federal boards and agencies are qualified and are representative of Canada as a whole, taking into account such factors as region, gender and ethnicity and that appropriate and necessary consultations occur before such appointments are made.

To put the regional factor into legislation would restrict the government's flexibility in achieving a balance of all of these factors and in appointing the most qualified candidates. The federal government is the only body which can sit all of these matrixes and compare one region with another.

With respect to provincial consultation, to mandate by statute that the provinces must be consulted prior to appointments being made in virtually every federal body, as the Bloc Quebecois appears to propose, would be needlessly cumbersome, time consuming and costly. In addition, provincial statutes do not include a requirement to consult the federal government on all appointments made by the lieutenant governor in council. It would be as inappropriate to require the federal government to consult provincial governments on appointments to agencies created by federal legislation as it would be to require provincial governments to consult the federal government on appointments to agencies created by provincial legislation.

With respect to approval by the standing committee, to grant the standing committee the right to approve appointments would be to usurp the prerogative of the governor in council. It would represent a fundamental change in the executive powers of the crown, the House of Commons and the parliamentary system of government.

I remind hon. members from all sides of the House that Bill C–67 reflects the government's commitment to simply change the structure, to streamline the operation wherever possible and to ensure federal agencies continue to be relevant to Canada's needs and serve Canadians as effectively as possible.

The bill is not related to fundamental questions such as the checks and balances of the parliamentary system. Those are built in. I feel fully confident the bill as discussed and as presented with its amendments from the day we studied it clause by clause, I think on April 27, is quite satisfactory. This never really came up in discussion at any time to my memory.

I got quite a kick out of Motion No. 3 proposed by my hon. colleague from Nanaimo—Cowichan. He is afraid of this great fear the third party has of political patronage. I am not sure where it comes from but he nodded and tacitly agreed this was behind the proposal he made. I see a big smile on his face. I am sure he cannot be serious about this kind of an amendment. He is trying to create three classes of members, those appointed for three years, six years and nine years.

These are quasi–judicial organizations and the appointees, while they are not actually judges, are like judges. They make some very serious judgments. It would not be in the interest of the intent of the bill, it would not be prudent and it would not be wise to create a hierarchy among these members. The hon. member knows that. For the disability pension system to appear fair and transparent it must be clearly understood that all members of the new board are equal and they must be seen as equal by all parties in the House, no matter which party is in

government. I am sure the hon. member is not too worried about his party being in government for a long time. Perhaps it is a technical concern which that party has.

Historically veterans affairs, and anyone involved in veterans affairs can attest to this fact, have been treated in a non–partisan way by successive Canadian governments. I think the hon. member from the Bloc who put the amendment forward would agree with that.

Our concern remains first and foremost with the veterans and that will continue. I find it very difficult in my heart to support these amendments.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question on Motion No. 2?

Resuming debate. The hon. member for La Prairie.

• (1620)

Mr. Richard Bélisle (La Prairie, BQ): Madam Speaker, I am happy to rise after the member for Châteauguay to speak to Bill C–67, an act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other Acts and to repeal the Veterans Appeal Board Act.

What changes will be brought about by this bill in its present form? To put it in a nutshell, we can say that this legislation merges the Canadian Pension Commission and the Veterans Appeal Board and that, in future, applications for benefits will be examined by the Minister of Veterans Affairs. His decisions will be subject to review by or appeal to the Veterans Review and Appeal Board. Finally, the Bureau of Pensions Advocates will become part of the Department of Veterans Affairs.

As my colleague, the member for Châteauguay, said earlier, the new Veterans Review and Appeal Board is an independent board consisting of not more than twenty–nine permanent members, to be appointed by the governor in council for a term not exceeding ten years, but eligible to reappointment. The chairperson and deputy chairperson are also designated by the governor in council.

This bill also amends the Pension Act. Part I, which defines the Canadian Pension Commission, and Part II, which defines the Bureau of Pensions Advocates, are replaced by a new part describing the minister's powers.

In a sense, the minister is inheriting all of the functions and powers held so far by the Canadian Pension Commission in terms of first applications and first decisions. The eligibility of applications for awards will thus depend directly on the minister.

Is there not a risk that decisions relating to veterans will lack a certain impartiality and independence?

When Bill C–67 was tabled for first reading on December 15, 1994, the secretary of state for veterans argued that a thorough change in structures was required in order to substantially reduce delays in the processing of applications for awards.

According to the secretary of state, this initiative is part of the review of all government agencies and commissions which was undertaken by the Minister of Intergovernmental Affairs.

We share the view of the hon. member for Châteauguay, who is in favour of the government's basic objective of reducing administrative delays and speeding up the decision–making process in files management.

However, we also share the concern of the hon. member for Châteauguay, who is questioning the means proposed by the government party to achieve this necessary objective of reducing delays in the processing of applications.

We, of the Bloc Quebecois, believe that to subject first decisions to ministerial authority would be a step backwards and a disturbing measure. We wonder why it is necessary to repatriate pensions advocates to the department when their independence was previously considered essential.

The position of the Bloc Quebecois is that veterans' applications should be speeded up within structures that are impartial, transparent and fair. None of the suggestions put forward by the hon. member for Châteauguay challenges the principle whereby the decision process and the advocate system would remain independent from the minister's authority.

Like the Reform Party critic, we too deplore the lack of consultation with veterans' associations and the government's preference for outside consultants; in this case, it sought the advice of two management consulting firms. We recognize in this the Liberals' preference for lobbyists and the well to do, the owners of these management consulting firms.

The Royal Canadian Legion and the veterans of the Canadian navy and armed forces have both expressed serious reservations about Bill C–67, but the government prefers to listen to well paid management consultants. Party fundraising does have its price, it would appear.

Three citizens came before the standing committee to say how much Bill C–67 would harm veterans. I wonder if their remarks reached the minister, who will have most of the discretionary power in the future.

• (1625)

We agree with the principle of reducing processing time, but we have serious reservations about the means put forward to reach this goal. Other more concrete measures might improve the processing time without requiring a revamping of the administrative structure. We are concerned about increased authority for the minister and the decrease in services to veterans.

The Chrétien government is once again showing its lack of openness, its disregard for provincial governments and its centralizing tendencies. Once again, the Prime Minister is using public funds to treat his friends better, instead of serving the

interests of Canadians. The 29 vacancies of the Veterans Review and Appeal Board, high–paying full time jobs for a renewable term of ten years, will be filled by friends of the Liberals.

To prevent this new Liberal scheme, we strongly support the four motions put forward by the member for Châteauguay, which are aimed at increasing transparency within the federal government. These four motions ask for the appointments required for the new Veterans Review and Appeal Board, under clauses 4 to 34 of the bill, to be made only after consultations with the provinces and the appropriate committee of the House. This would ensure a better distribution of power by not leaving too much power in the hands of the minister himself.

These motions concern the appointment of permanent members and of temporary members, the designation of a chairperson and of a deputy chairperson as well as the designation of an acting chairperson and of an acting deputy chairperson. I strongly support these four motions put forward today by the member for Châteauguay.

Mr. Jean H. Leroux (Shefford, BQ): As you know, Madam Speaker, yesterday, almost everywhere in Canada, we were commemorating the end of the Second World War. In my riding of Shefford and in Grandby I had the honour to meet with some of the veterans and whether it was Mr. Benoit, Mr. Lemay, Mr. Brodeur, Mr. Saint–Onge and many others, during the Second World War, they were young and served in the military. Some of them gave five years of their lives to their country.

Today, I am going to give you my point of view on Bill C–67, an Act to establish the Veterans Review and Appeal Board, to amend the Pension Act to make consequential amendments to other Acts and to repeal the Veterans Appeal Board Act.

The immediate result of the restructuring will be the merging of the Canadian Pension Commission and the Veterans Appeal Board. I am particularly concerned with this aspect of the bill which appears quite contentious to me.

Once the bill is passed, applications will be reviewed directly by the minister and his close collaborators, commissioners and officials. The decisions so taken will nevertheless be open for review and appeal in front of the veterans Board.

Consideration of the bill tends to indicate that there might be a loss of acquired rights for veterans, without proof that the recognized problems which led to this reform will be dealt with by this bill.

We can rightly believe that the fundamental argument of the government to justify the proposed changes is to speed up the timeframe for pensions to be awarded. These changes to the decision process are deemed to go directly to the root of the perceived problems.

It is with that in mind that the Secretary of State for Veterans tabled Bill C–67 on December 15. He also tabled an explanatory note which alluded clearly to the overly long delays and the slow processing of applications, and which also criticized the present pension awarding system.

Indeed, according to an analysis done by the government, the main reason for this slow process is the fact that the structures and agencies awarding the pensions are widely scattered.

• (1630)

The Bureau of Pensions Advocates and the Canadian Pension Commission are being blamed. In order to resolve the problem of the delays incurred in awarding pensions, the government proposes to abolish the Canadian Pension Commission, transfer its responsibilities to the minister and his officials, transfer its resources to a new appeal board, and integrate the Bureau of Pensions Advocates into the Department of Veterans Affairs. All this would come under the department's control.

The bureau will no longer serve veterans, except when an appeal is filed. According to the deputy minister, these measures should reduce the average delay following the first pension application from 18 to 9 months. As you know, those currently applying are often 70 or 75 years old. It is therefore necessary to reduce delays, and we agree with that.

Most of the groups concerned agree that current delays are too long and should be reduced. However, as pointed out in the Marshall report, the figures now available in this regard are in dispute.

The red tape involved in processing applications was noted for the first time in the 1986 report of the Auditor General of Canada, Chapter 13, Section 13.98 and the following sections. So this problem is nothing new. It was known even in 1986.

As you can see, this delay problem did not surface yesterday. Beyond the award system as such, moving the headquarters from Ottawa to Charlottetown in 1983–84 was clearly identified as a major reason for longer processing delays.

This observation does not take anything away from Charlottetown employees, who, in my opinion, do their best to meet demand; rather, it is aimed at the system in which they operate. For example, why are fully qualified district physicians required to submit case assessments to the approval of head office physicians who are no more qualified than they are?

The central authorities' compulsive need to control everything is in a way the main obstacle leading to excessive delays in the award process. So, what undermines the present system is not the various authorities with different mandates but rather the duplication of certain phases of verification, validation and

consistency between authorities. Would it not be better to decentralize the entire decision–making process to improve access to services?

In spite of everything, the federal government is considering shortening the waiting period for pensions by eliminating the Canadian Pension Commission, transferring all of its responsibilities to the department, assigning its personnel to a new board and making the Bureau of Pensions Advocates a part of the department.

I wonder about the appropriateness of these measures which, as far as I can see, come with no guarantee of producing savings within the given time frame, while the right to be represented in the first instance is certainly being removed. The Canadian Pension Commission is an independent decision making agency. Delays directly related to this activity generally do not exceed 20 days.

Abolishing the Canadian Pension Commission is not, in my opinion, a valid way of reducing delays significantly. I cannot understand, under the circumstances, how the department can come to the conclusion that this measure will reduce the current waiting period by four months.

As for the Bureau of Pensions Advocates, it loses its status as an independent agency, becoming a part of the department. Moreover, it will no longer provide assistance to veterans filing their first application.

• (1635)

The issue of conflict of interest and independence concerning this Bureau was examined extensively in the late 1960s and this actually led to the Bureau being detached from the department in 1971.

Incidentally, providing this kind of assistance from the beginning ensures that applicants have support every step of the way. At present, nearly half of all first applications are approved without any further need for review. How will the approval rate be affected if there is no more legal support for applications and no independent and impartial commission?

I seriously doubt that the proposals contained in this bill will bring about any reduction in the processing time. The government's solution, in my opinion, overlooks such basic objectives as the independence of a body, as well as the decentralization of power and decision–making. The legislation should have focused more on regrouping the eligibility and evaluation steps, to speed up the process leading to a pension being awarded. As well, entirely favourable decisions should only need to go through one stage.

Most applicants are older people who need an answer quickly. As I said before, I met some extraordinary people in my riding, people who have a sense of honour, people who gave three, four or five years of their lives. Some were imprisoned; some were injured. These people need an answer quickly. This is not a question of bureaucratic reorganization, exclusion of services, or reduced assistance. The purpose is to ensure the efficiency of a process which is based on favourable consideration of veterans.

We must not merely say once every 50 years that we love our veterans. We must table legislation designed to help them. These people need our support, and we must do everything we can to provide them with quality service. In my opinion, subjecting initial decisions to ministerial authority is a step backward. It is worrisome to say the least. There will be much more control.

I truly hope that veterans will enjoy speedier processing of their applications, through measures which are based on fairness, transparency and equity.

Madam Speaker, you can rest assured that the Bloc Quebecois takes its role seriously, and that it will closely monitor the government's reform. Our only concern is to ensure that veterans are satisfied with the services provided to them.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

An hon. member: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 2, which will also apply to Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8) the recorded division on the motion stands deferred.

The Acting Speaker (Mrs. Maheu): The next question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8) the recorded division on the motion stands deferred.

• (1640)

The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of them motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the division on the motion stands deferred.

[*Translation*]

The next question is on Motion No. 6. Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred.

[*English*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.) moved:

Motion No. 7

That Bill C–67, in Clause 28, be amended by replacing lines 18 to 23, on page 6, with the following:

"28. An appellant may make a written submission to the appeal panel or may appear before it, in person or by representative and at their own expense, to present documentary evidence and written or oral arguments, but the appeal panel shall not accept oral testimony."

He said: Madam Speaker, our intervention on this is very short, sweet and simple. It concerns only clause 28. We do not mean to change the intent or meaning of clause 28. Very simply, we ask that the wording be clarified to ensure that appellants will clearly understand their rights. As it is worded now, it is vague as to rights. The intent of our motion is to clear up the language to ensure that appellants clearly understand their rights.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I appreciate the comment from my hon. colleague from Nanaimo—Cowichan.

Motion No. 7 confuses what was a confusing situation which was clarified in the amendment. It is difficult if one was not a committee member to wrap one's mind around this, but essentially the clause instructs the applicant in what can be done at a certain process in the bill.

In the amendment we clarified with respect to documentation presented at the hearing that the documentation could be both written and oral, documentation as differing from evidence. Nobody meant to change, as the hon. member said, the intent of the clause. The intent was that oral and written documentation could be presented. Therefore when the veteran came to present his case the documentation could be taken in front of the board having been considered by the board and then the veteran could speak giving oral documentation. Oral evidence could not be presented and only documented evidence could be submitted.

In committee we essentially did what is being achieved by the proposal being made by the Reform Party. It wants to insert the term oral. In fact that was taken out of the first clause on amendment because it was considered to be confusing.

This does not appear in the bill because we felt it was not necessary to reprint the bill and we would save the government the expense of doing it since there were so few amendments. However, to clarify the clause we divided clause 28 into two subclauses to say that subject to subparagraph (2) the applicant could make oral and written documentation but at his own expense et cetera, and could present oral argument.

• (1645)

To make sure that the understanding is there in subclause (2) it is stated that only documented evidence, as opposed to oral evidence, can be submitted under subclause (1). Therefore, I do not believe the wording does anything to improve on the amendment being made.

This would be amplified in regulations and would be crystal clear to the applicant. Therefore, I do not think there is any need for an amendment to clarify the subclause.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, Motion No. 7, introduced by the hon. member for Saanich—Gulf Islands, echoes debates which took place in committee. At our very first meeting to study Bill C–67, on February 16, our colleague pointed out that clause 28 is ambiguous. This clause stipulates the manner in which a request to appear before an appeal panel of the Veterans Review and Appeal Board must be made. It stipulates that an appellant may present evidence and arguments to support a case, but at the same time, as it now stands, the board cannot hear oral testimony.

Therefore, our colleague asked Brian Chambers, a legal advisor for the Department of Justice, a few questions. He tried to explain to us the nuance between "oral arguments" and "evidence presented under the form of testimony". Unfortunately, his explanation was not compelling in the least, and we still had doubts and found the clause ambiguous. We therefore reached the consensus that we would have to modify clause 28, in order to clarify what was meant by the word "evidence" and by the word "arguments".

This is what the amendment proposed by the Reform member does. The amendment essentially aims to specify that, when an appellant submits evidence, what is meant is documentary evidence. By the same token, when the clause mentions arguments presented by an appellant before the appeal panel of the Veterans Review and Appeal Board, we can only understand that to mean oral and written arguments. This would clarify that a veteran or that person's representative cannot present oral testimony which contains evidence. All oral presentations must be limited to arguments, that is, the reasoning on which the appeal request before the tribunal is based. No new facts can be submitted in this manner at this stage. If an appellant or a representative wishes to submit new facts as evidence, they must do so in writing, in the form of a document.

The official opposition agrees with this point and consequently supports the proposed amendment and Motion No. 7 concerning clause 28 of Bill C–67.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.) moved:

Motion No. 10

That Bill C–67, in Clause 48, be amended by replacing line 34, on page 14, with following:

"48. Section 24 of the Act is replaced by the following:

"24. (1) When a pensioner has been sentenced to imprisonment for a term of six months or more, the payment of his pension shall be discontinued and no pension shall be paid to the pensioner for or in respect of the term of that imprisonment, except that the Minister has discretion to direct the payment of the pension or part of it to any person who was being or was entitled to be supported by the pensioner at the time of the arrest of the pensioner or, if in the opinion of the Minister it would be of exceptional benefit or advantage to the pensioner, the Minister may in the Minister's discretion direct the payment of the pension or a part thereof to or for the pensioner.

(2) On the pensioner's release from imprisonment, payment of his pension shall be reconsidered as from the date of release and in accordance with the extent of the disability of the pensioner then shown to exist or, in the case of a pensioner pensioned on account of the death of a member of the forces, in accordance with the rates set out in Schedule II or determined pursuant to sub–section 34(7) or 45(3), whichever rates are applicable.""

He said: Madam Speaker, while researching this bill it came to our attention that section 24 of the Pension Act was being repealed with this bill. Section 24 of the Pension Act states:

24.(1) When a pensioner has been sentenced to imprisonment for a term of six months or more, the payment of his pension shall be discontinued and no pension shall be paid to the pensioner for or in respect of the term of that imprisonment,

Given the cost of incarceration to the public purse, it is only fitting that the government not pay a government funded pension to a prisoner.

Section 24 of the Pension Act must not be removed. This section of the Pension Act is also very reasonable. Consideration is taken of the dependants of the pensioner who rely on the pensioner's disability pension income. It also gives the minister discretion to allow the pensioner to continue to collect the pension if special circumstances exist.

• (1650)

Therefore I call on all members to support Motion No. 10.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, our response to this motion is a fairly simple one and I will not waste many words.

A disability pension is a right that should not be taken away. The pension is awarded for injuries sustained serving Canada. It would be wrong to deny this right after it has been justifiably earned.

I may say parenthetically the discretion is already there to do that but in the memory of anyone I have spoken to in the department no one can ever remember it being used. I wonder if there is really a necessity for it. Whether there is a necessity or not, we do not support the motion for the reasons I have given.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, Motion No. 10, standing in the name of the hon. member for Saanich—Gulf Islands, proposes to amend clause 48 of the bill. This amendment would have the effect of maintaining section 24 of the Pension Act, a section that the bill would repeal. So what does this section say?

The new section 24 is amended to reflect that the Canadian Pension Commission no longer exists and that all its powers will revert to the minister.

This section concerns what happens when a veteran, for whatever reason, is sent to prison. In such cases, section 24 provides that the pensioner may be subject to certain sanctions including the suspension of his pension and transfer of the pension or a part thereof to dependants. Also, upon his release, his pension will be subject to reassessment.

We must understand the principles and moral issues that are involved when we give this kind of authority to the minister. On the week–end, I heard a broadcast on veterans of the Vietnam war: how it had affected them; how they coped with their memories of the war; how they had been rejected by their fellow citizens who were too anxious to forget about this shameful period in the history of the United States; how the deep psychological wounds and the terrible burden they carried as participants in this war made it extremely difficult for them to readjust to a society that would prefer to forget all about them.

Many of these Vietnam veterans are now leading a life of crime. We cannot dismiss the thought that there may be a connection between crimes committed and their wartime service. Of course, there is no excuse for crime as such, but we cannot be blind to the fact that behaviour is influenced by past experience.

Furthermore, being punished for a crime is one thing but entitlement to a pension is something else. To link the two would be to make a moral judgment that a modern society cannot afford to make. If a crime is committed, the Criminal Code contains all the provisions to punish the crime, and the courts are there to determine sentencing. That is one thing. If a veteran applies for a pension as compensation for a disability arising from his military service, the pension review system is there to determine his eligibility and evaluate the level of compensation to which he is entitled. That is another thing.

Let me give you an example. I used to work for a large Quebec company. I worked for 35 years, which entitles me to a pension. So, if, tomorrow morning I were to commit an offence, for whatever reason, and was sent to jail, would the judge be entitled to suspend my pension? No, of course not. I am entitled to what I am entitled to. The loss of my freedom is the cost I must pay for my offence. It is intolerable to think that the Reform Party wants to keep a veteran's pension from him as punishment.

This is the absurdity at issue. A retired person is still retired, even in prison. Similarly, a pensioner who is entitled to a disability pension as a veteran is still a pensioner, even in prison. A just society would not make payment for services rendered conditional on good behaviour.

• (1655)

It is as if we did not believe in our penal and our legal systems. As if we felt they did not do the job well enough and we had to compound the punishment with other penalties.

This is all in bad taste. It is the old right. I was hoping we had seen the last of a right that mixes up everything in the social contract everyone has a share in. Veterans deserve to be compensated for risking their life and for being wounded. We made this commitment long ago. It is a right, and, in my opinion, nothing and no one can take it away from them, because no one in this House can give them back their health or a limb they lost. This is why veterans have a pension. It is a disability pension.

We must not get it all mixed up and think that, because someone commits a crime, we have to take away not only his freedom but his right to a pension.

You can see why we cannot support anything so backward as Motion No. 10. We understand why the government used Bill C–67 to remove this archaic provision, which has no place in civilized society.

I hope veterans are reassured. As far as we in the Bloc Quebecois are concerned, we will not mix their rights with any other conditions whatsoever. We therefore oppose Motion No. 10.

[*English*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 10. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8) the recorded division on the proposed motion stands deferred.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.) moved:

Motion No. 11

That Bill C–67, in Clause 73, be amended by replacing line 9, on page 26, with following:

"do so on application if the person making the application alleges that an error was made with respect to any finding of fact or the interpretation of any law or if new evidence is"

He said: Motion No. 11 is an important amendment to section 82 of the bill. During the clause by clause study in committee, an amendment was made to section 32 of the bill because it was agreed by all that veterans had lost a right and that the amendment to section 32 restored that right.

Section 32 originally denied veterans the right to have the appeal panel review a decision based on the applicant's claim that there had been an error with respect to a finding of fact or interpretation of law.

Veterans could only apply based on new evidence. After being amended in committee, veterans can now apply for a review based not only on new evidence but based on a claim that an error had been made with respect to a finding of fact or interpretation of law.

Section 82 of the bill is exactly the same as section 32 except instead of referring to the appeal panel it is refers to the minister. Considering the unanimous consent the amendment to section 32 received in committee, there is no reason for this bill to restrict veterans to applying to the minister for a review based on new evidence only.

Veterans should have the right to apply to the minister for a review based on the claim by the veteran that there had been an error with respect to any finding of fact or interpretation of law. I call on all members to support this important motion.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I listened carefully to what the member had to say. I looked at his motion and I believe it is unnecessary.

If a veteran feels that the minister has made an error in fact or law at the first decision the applicant can appeal to the Veteran's Review and Appeal Board. That is why we have a quasi–judicial board in the first place.

• (1700)

The hon. member compared the three levels, the minister, the review board and the appeal board. He is absolutely right, we did go back to insert the error of fact or interpretation of law at the second stage or at the review process because we felt it necessary to have it in the quasi–judicial system to equate both processes, the review and the appeal.

However, in the case of the minister the amendment makes no sense from an administrative or a policy point of view. It would not result in faster turnaround times, the litmus test of all these motions. Nor would it increase the chances of a veteran receiving a disability pension. The true safety factor for the veteran, the crux of the bill, is that he or she can claim an error of fact or law after the final decision is rendered by the new board.

This where we need this kind of safeguard, not at the ministerial level. At the ministerial level the veteran can continue to two further levels where it is important to have it written in that the veteran is given the benefit of the doubt with respect to the ability to look at, from their viewpoint, the interpretation of the law or an error of fact.

I believe the safeguard, the intent of what the hon. member is proposing, is already in place. It is an amendment which does not make administrative or policy sense. It will do nothing to help the bill. It will do nothing to reduce the turnaround time for veterans. We believe it is unnecessary and therefore I will not be able to support it.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, Motion No. 11 put forward by my colleague is aimed at amending clause 73 of the bill, which amends a number of sections in the Pension Act. The section in this act specifically targeted by the hon. member's proposed amendment is section 82 of the Pension Act.

This section deals with the minister's power to review certain decisions made in the pension award process. This power applies first of all to his own decisions relating to initial applications not under the responsibility of the new board. This reviewing power may extend to all initial decisions made by the Canadian Pension Commission until its dissolution.

Section 82 of the Pension Act also provides that the minister's review may lead to the confirmation, reversal or amendment of the decision being reviewed. However, such changes can be made only if the minister determines that there was an error with respect to any finding of fact or the interpretation of any law.

The minister may review these decisions of his own initiative, but he may also do so on application if new evidence is presented to him. It is this last part of section 82 that the Reform motion would amend. This proposed amendment provides clarification in several respects.

First of all, the amendment specifies that the decision review application submitted to the minister must come from the original applicant behind the decision. An application by a third party to review a decision under the minister's authority may not be admissible.

The amendment goes on to say that the original applicant may also, in support of his application to the minister, submit arguments to the effect that an error was made with respect to any finding of fact or the interpretation of any law. It is the same power as that given to the minister to review a decision. Therefore, we think that the original applicant behind the decision should be allowed to submit to the minister any arguments that the minister could use to review a decision of his own initiative.

Finally, with this amendment, it will still be possible to submit, in addition to arguments on points of fact and points of law, new evidence in support of an application for review by the minister. Indeed, under section 82 of the Pension Act, an applicant in receipt of a decision may ask the minister to reconsider his decision by putting forward new developments pertaining to his initial application. As I understand it, the possible reconsideration of a decision made under the authority of the minister is intended as another avenue for applicants who are not satisfied with the decision made in their case.

• (1705)

This means that there are several recourses available to veterans applying for disability pension. Before even going to the new veterans board, applicants could file an application for review or appeal directly with the minister. This can be done provided new evidence can be introduced. It can also be done under the Reform Party amendment proposal if the applicant alleges that an error was made with respect to any finding of fact or the interpretation of any law on which the decision was made.

We support Motion No. 11, as it seems to make a great deal of sense. It gives veterans more rights, while at the same time clarifying an ambiguity no doubt created by noted legal scholars and drafting officers. This way, the reviewing powers of the minister are made clearer. Therefore, we support Motion No. 11.

[*English*]

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 11.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on the proposed motion stands deferred.

The House will now proceed to the taking of the deferred divisions at report stage of the bill now before the House.

Mr. Boudria: Madam Speaker, I believe you will find consent of the House to defer the recorded division on the motion until the time of adjournment.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

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INCOME TAX ACT

The House resumed from May 5, 1995, consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the second time and referred to a committee.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, last year the member for Calgary Centre rose in the House to raise the issue of the complexity of the tax system.

It is really interesting and instructive to listen to the Liberals who, in many of their speeches in the House as well as outside, tell us how everything is new and wonderful and everything is under control now that they are here. We are so pleased about that.

When I look at Bill C–70 I come to the conclusion it is everything the same as before. The old Conservative way of doing things or the old Liberal way of doing things of making the whole income tax all the less compatible with ordinary human beings gives me some sense of distress.

Last year my hon. colleague for Calgary Centre addressed the House while we were debating Bill C–27. In that speech he read the following excerpt from the Income Tax Act. I will give the House the interpretation of the Income Tax Act regarding superficial loss as presented by my colleague for Calgary Centre:

> Section 54 of the act is replaced by the following: 9CO was the disposition deemed by paragraph 33.1(11)(a), subsection 45(1). Section 48 as it read in its application before 1993, section 50 or 70, subsection 104(4), section 128.1 or subsection 128(11.3), 144(4.1) or (4.2) or 149(10) to have been made—
>
> 24. (1) Section 55 of the act is amended by adding the following after subsection (3):
>
> Notwithstanding subsection (3), a dividend to which subsection (2) would but for paragraph (3)(b), otherwise apply is not excluded from the application of subsection (2) where the dividend is received as part of a series of transactions or events in which
>
> (a) a person or partnership—

It goes on and on.

• (1710)

He raised the issue in the House during debate on Bill C–27 to put over the fact that we all know the Income Tax Act is such a huge volume of information that there is no conceivable way the average individual can possibly walk up to and address the bill or address the Income Tax Act. That was where my colleague from Calgary Centre stopped.

Today we debate Bill C–70. How things have changed in the last year since the Liberals have taken over. How many wonderful new ideas they have an how wonderfully they are bringing the Income Tax Act into line with ordinary Canadians. I see within the bill an amendment to the particular section I was dealing with a moment ago, superficial laws.

I am not a tax lawyer. I am not a lawyer. I am a taxpayer. I am not a chartered accountant.I am a taxpayer along with many tens of millions of other Canadians. I was rather hoping that with all of the words the Liberals continue to give to us, they might have lived up to the concept of tax reform.

I read this section to find the following. They have changed it. It now reads: "Paragraph (e) of the definition superficial loss in section 54 of the act is replaced by the following: (e) was a disposition of property by the taxpayer to which paragraph 40(2)(e.1) 25 or subsection 85(4) applies".

I thank the Liberals for making it so much clearer for me as an ordinary taxpayer to understand this section on superficial loss. Of Course I jest because the Liberals have done nothing to simplify the Income Tax Act. If anything they have added more layers, more things to be taken off as one would with an onion when taking it apart. They have added more layers to the onion of the Income Tax Act.

I find it rather interesting that one of the most creative thinkers with respect to taxation in Canada is a parliamentary secretary in the government. His ideas for the single tax, a proposal for tax reform, have never been approached, have never been touched by the government. I do not really understand why unless the Liberals have been around for far too long.

Taking a look at some of his concerns, he points out that when we have a taxation system so complex, first it leads to a situation in which ordinary citizens like me, like probably most of the people either reading *Hansard* or watching this on television today, are saying to themselves: "He is right, the income tax is so complicated I go to H & R Block or an accountant; I pay $35, $50, $100 or $150 to an accountant to get the job done".

I do not mean to do a disservice to accountants but the plain fact of the matter is that when ordinary taxpayers reach a situation in which the tax act is so complex, so convoluted, so completely overlaid as in the picture I gave of onions and onion rings with layer upon layer of problems, we end up with ordinary citizens at a severe disadvantage.

The problem is if we keep the complicated system we now have there will be continuing and ever widening abuse of the system. When there is a leak, when there is a problem within the tax system that has to be fixed, to come up with yet another band–aid that sits on top of the existing band–aids, we end up with the problem we presently have; people taking a look at loopholes upon loopholes and ways of getting around the system.

• (1715)

There is another problem with the tax act being as complex as it is. The government is coming to the House now with a bill to enact 1994 taxation legislation when people were filing their income tax returns about a week ago. To me this smacks of an attitude problem: "We will get around to it". These ideas are imposed on Canadians: "That is just the way it is. Oh, by the way, we will get around to using the rubber stamp of Parliament later to actually enact the legislation".

This is not acceptable. The last time I looked we lived in a democracy. This act should have come before the House for debate long before people were filing their 1994 tax returns, not afterward.

I do not really understand why this government refuses to take seriously the concept of at least looking at a flat tax or single tax system. The major advantage to a single tax system is that we could eliminate the volumes and probably millions of words and figures, paragraphs, subparagraphs and subsections. We could get it down to something an ordinary citizen could understand. We would be able to file taxes in a way that is appropriate to ourselves and not to the demand of a government which simply says: "Sorry, that is the way it is to be". It would give us some flexibility.

With a flat tax system we would be able to treat all income the same way. One of the problems when people look at a flat tax system comes when they listen to the council of concerned Canadians and other wonderful organizations like that which do knee–jerk reactions and say with a flat tax or a single tax system, only the people at the top end with the high income will be advantaged.

Then some people unfortunately in the news media take a knee–jerk, short term reaction to that. They listen to that and accept it as being a statement of fact. They then go ahead and literally throw out the baby with the bath water rather than looking first at what exemptions there would be. They would be absolutely minimal.

The income of people who are presently working within the system and taking every advantage they possibly can with all the exemptions and exceptions would be captured. That is number one.

Number two, we would end up taking the personal exemption to a significantly higher level than where it presently is. That would mean that people at the low end of the scale who are presently in the $12,000 to $14,000 income area and are paying $600 or $700 in taxes in all likelihood would be advantaged under a flat tax system.

Number three, because of all the exemptions, just increasing marginal tax rates does absolutely nothing to increase income or revenue for the government. What happens is that we end up going back to what I was speaking of just a few minutes ago which is the whole issue of the convoluted ways people can get around paying tax by exception or by exemptions.

By coming up with a single tax it would simplify things. It would allow flexibility of filing dates. It also has the very distinct possibility of ending up with people at the low end of the scale being advantaged rather than disadvantaged.

• (1720)

Does flat tax have a problem? Yes, there are some problems with the flat tax system. However, I challenge the Liberal government, I challenge the ministers of the government and I challenge the Prime Minister: If the flat tax or the single tax is so unpalatable and unworkable, why would the government of the largest economy in the world, the United States, be looking at a flat tax or a single tax? When we continue to throw more and more convoluted regulations and logic into our income tax system, why would we not be prepared to at least strike an independent committee, even a subcommittee of the finance committee, to look at the concept of flat tax?

We know that good, new ideas are not necessarily to come from that side of the House. They might be interested to know that the Reform Party is establishing a task force on taxation. We will involve members of Parliament. We will involve political researchers. We will involve people within our party. We will get as much input as we possibly can so that when we come out the other side we will have a package which Canadians can look at.

No changes have occurred between the time my colleague from Calgary Centre brought up these paragraphs and where we are now. I am sure that if we waited for the Liberals to come up with any new ideas on the issue of taxation, we would wait a long time. Therefore, in the spirit of reform we are establishing the task force.

In addition to the task force, we will also be bringing forward in the very near future under a private member's bill a taxpayers protection act. We have spoken about that in the House. It has been spoken about in provincial legislatures, as well as during the Manitoba election campaign. We will be bringing forward a taxpayers protection act.

If Canadians want something new, if they want something different, if they a fresh idea, the Reform Party will deliver.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(5)(a), a recorded division on the proposed motion is deferred until the time of adjournment.

• (1725)

OLD AGE SECURITY ACT

The House proceeded to the consideration of Bill C–54, an act to amend the Old Age Security Act, the Canada pension plan, the Children's Special Allowances Act and the Unemployment Insurance Act as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): There are 17 motions in amendment standing on the Notice Paper for the report stage of Bill C–54, an act to amendment the Old Age Security Act, the Canada pension plan, the Children's Special Allowances Act and the Unemployment Insurance Act.

Motions Nos. 1, 3, 8, 9, 10, 11, 14, 16 and 17 will be grouped for debate. A vote on Motion No. 1 applies to all the other motions in the group.

Motion No. 2 will be debated and voted on separately.

[*Translation*]

Motions Nos. 4, 13 and 15 will be grouped for debate. The vote on Motion No. 4 will apply to Motions Nos. 13 and 15.

[*English*]

Motions Nos. 5, 6 and 7 will be grouped for debate but voted on separately.

[*Translation*]

Motion No. 12 will be debated and voted on separately.

[*English*]

I shall now propose the motions in the first group to the House.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ) moved:

Motion No. 1

That Bill C–54, in Clause 1, be amended by deleting lines 11 to 16, on page 1.

Mrs. Francine Lalonde (Mercier, BQ): moved:

Motion No. 3

That Bill C–54 be amended by deleting Clause 16.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ) moved:

Motion No. 8

That Bill C–54 be amended by deleting Clause 25.

[*English*]

Mr. Boudria: Madam Speaker, I rise on a point of order. I wonder if there would be agreement that the motions that have been grouped together under the first group be deemed to have been read in order to allow more time for members to make speeches instead of reading the motions into the record.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ) moved:

Motion No. 9

That Bill C–54, in Clause 35, be amended by replacing lines 20 to 25, on page 21, with the following:

"section 84(2), or, subject to the regulations, any".

Motion No. 10

That Bill C–54, in Clause 35, be amended by replacing lines 15 to 20, on page 22, with the following:

"section 81 or subsection 84(2) and may take any action in relation to any of those decisions that might have been taken by the Minister under that section or subsection, and the Commissioner of".

Motion No. 11

That Bill C–54, in Clause 36, be amended by replacing lines 40 to 42, on page 22, with the following:

"decision made in respect of an appeal under sub–section 84(2), may".

Motion No. 14

That Bill C–54, in Clause 46, be amended by replacing lines 4 to 12, on page 29, with the following:

"(2) Subsection 108(3) of the Act is".

Motion No. 16

That Bill C–54 be amended by deleting Clause 50.

Motion No. 17

That Bill C–54, in Clause 53, be amended by replacing line 20, on page 33, with the following:

"53. Subsections 35(1)".

He said: Madam Speaker, I now address the House on Bill C–54, An Act to amend the Old Age Security Act, the Canada Pension Plan, the Children's Special Allowances Act and the Unemployment Insurance Act.

In Motion No. 1, I propose the following amendment:

That Bill C–54 be amended by deleting clause 1.(2), which reads as follows: "Review Tribunal" means a Canada Pension Plan— Old Age Security Review Tribunal established under section 82 of the Canada Pension Plan.

This amendment put forward by the official opposition is aimed at keeping separate the appeal processes of the Canada Pension Plan and the Old Age Security Program.

Bill C–54 integrates the appeal processes of the Canada Pension Plan and the Old Age Security Program. Yet, the auditor general said in his report that the two–tiered appeal process for Old Age Security permits the satisfactory settlement of the few

cases there are. The process is simple, fast and informal, and cases are heard in the regions where the appellants live.

As for the Canada Pension Plan's three–tiered appeal process, the auditor general criticized it quite openly. So why propose to integrate both processes and use the Canada Pension Plan's process deemed deficient by the auditor general?

The government is not simplifying the appeal process in any way. On the contrary, client services will not be improved one bit with these measures.

Under clause 34, page 20, the first level of appeal of the Canada Pension Plan will become a "reconsideration". Under clause 16, page 8, the reconsideration which is presently optional in the case of Old Age Security will become a mandatory minister's review.

Under clause 35(1), page 21, the Review Tribunals of the Canada Pension Plan will be authorized to hear appeals relating to Old Age Security and, under clause 35(4), page 22, appeals that were directed to the former review committees of the Canada Pension Plan.

Finally, the Pension Appeals Board will be authorized to appoint temporary members. At the present time, someone who is dissatisfied with a decision made in accordance with the Canada Pension Plan is entitled to three levels of appeal.

• (1730)

The first level appeals are directed to the Minister of Human Resources Development. The second level appeals are heard by the Review Tribunals established in accordance with the Act. Finally, the third level appeals are heard by the Pension Appeals Board.

In 1993–94, there were 23,046 first level appeals for an increase of 0.5 per cent compared to the previous year. Of that number, 83 per cent concerned disability benefits. A total of 27,077 appeals were processed during those two years.

Also, 3,300 second level appeals were filed. Of that number, 2,675 were dealt with. During the 1993–94 fiscal year, the Pension Appeals Board received 498 new benefits appeals made under section 83, chapter C–8 of the Canada Pension Plan. It heard 274 of those appeals. Moreover, at the request of one of the parties, the board suspended 55 appeals to be heard later.

The Bloc Quebecois, the official opposition, does not believe that streamlining appeals made under the Old Age Security Act and the Canada Pension Plan is an improvement. To be consistent with the proposed amendment to Motion No. 1, I present the following amendment to Motion No. 8:

"That Bill C–54 be amended by deleting clause 25 because it combines the Old Age Security appeal process with the Canada Pension Plan appeal process".

Therefore the following clause, clause 25 must be deleted: "The definition of "Review Tribunal" in subsection 2(1) of the Canada Pension Plan is replaced by the following: "Review Tribunal" means a Canada Pension Plan—Old Age Security Review Tribunal established under section 82".

To be consistent with the amendment to Motion No. 1, Motion No. 9 should read as follows:

"That Bill C–54, in Clause 35, be amended by replacing lines 20 to 25, on page 21, with the following:

"section 84(2), or, subject to the regulations, any".

The purpose is to eliminate any reference to appeals to the Review Tribunal.

For the sake of consistency, Motion No. 10 should read:

"That Bill C–54, in Clause 35, be amended by replacing lines 15 to 20, on page 22, with the following:

"section 81 or subsection 84(2) and may take any action in relation to any of those decisions that might have been taken by the Minister under that section or subsection, and the Commissioner of".

To be consistent, Motion No. 11 should read as follows:

"That Bill C–54, in Clause 36, be amended by replacing lines 40 to 42, on page 22, with the following:

"decision made in respect of an appeal under sub–section 84(2), may".

Consistency is needed regarding Motion No. 14 to keep the appeal process separate:

"That Bill C–54, in Clause 46, be amended by replacing line 3, on page 29, with the following:

"(2) Section 108 of the Act."

Motion No. 16 also refers to appeals made under the Old Age Security Act:

"That Bill C–54 be amended by deleting Clause 50".

The same applies to Motion No. 17:

"That Bill C–54, in Clause 53, be amended by replacing line 20, on page 33, with the following:

"53. Subsections 35(1)".

I will leave it to the member for Mercier to explain the official opposition's amendment to Motion No. 3, which goes along the same lines as my proposed amendments, since it deletes clause 16 in Bill C–54, because on one hand, this clause provides for a ninety day period before appealing to the minister against a decision and, on the other hand, it states that the minister may stay payment of the benefits during the appeal process.

Moreover, I have a proposed amendment to Motion No. 12 which is in agreement with my colleague's.

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Madam Speaker, I thought I would take the opportunity to reply to the hon. member.

• (1735)

Frankly, the behaviour of the Bloc opposition on this bill has been to produce the most puzzling, curious, strange, unorthodox and bizarre set of amendments I have seen in a long time in this House.

It was not so long ago that the hon. gentleman was on his feet suggesting problems were being encountered by seniors having to make application on an annual basis to receive their benefits. The bill before us tries to expedite that by allowing for automatic renewal when we have all the information we need. But the hon. gentleman is now introducing an amendment to force people to go back to the old system of having to make an annual application again. He has stood logic on its head. He has absolutely reversed the position he has taken in the House. It is absolutely and totally contrary to the very words he was expressing in the House only a few short weeks ago. He said there was an impediment, a problem being faced. He says he does not know. He does not know. If he had understood the bill he would not be presenting such absurd amendments.

It seems he is saying now that people with spousal benefits will be required to reapply for their application, which will affect 20,000 people per year, rather than giving them the automatic renewal we propose. Madam Speaker, do you understand that? Can you contemplate the rationale, the reason the hon. member would want to impose upon people eligible for spousal benefit the requirement to constantly go back and re–engage, reapply, go through the rigmarole, go through the bureaucratic red tape? I do not understand. If he were some kind of bureaucratic *menschen* who takes great delight in having people jump through hoops, then maybe it would make some sense.

Bill C–54 is a clear example of how we have taken into account the problems faced by people over the past several years in ensuring that they can have renewals. We are now attempting to eliminate those problems, especially in the case of the spousal benefit, which is available for those who are 60 to 64.

If we have a female client whose birthday is in June, let us assume she would also qualify for the OAS, she clearly has some needs. If the motion proposed by the hon. member were accepted, that person would be forced to obtain, complete, and return all application forms to Human Resources Development around the month of December, before her birthday. We know how busy things get, how much time there is to delay.

In other words, the hon. gentleman who proposes this amendment has some kind of perverse delight in forcing people to fill out forms, go to offices, reapply, and go through all the paper work. It must be a strange form of entertainment for him, but it certainly makes no sense when it comes to healthy people. They will still get their money, but it will take longer, it will be more inconvenient, it will be more bureaucratic, and it will cost the government more money to go through the forms.

Madam Speaker, I do not know. You figure; I cannot. I simply do not understand such tortuous reasoning from the hon. gentleman that he would propose an amendment that would force people to engage in this kind of jumping through hoops simply for no reason at all. When we look at the bill with the whole range of amendments proposed by hon. members opposite, they are giving the message that they do not want to help people gain access to their old age benefits without fuss or bother.

• (1740)

[*Translation*]

This is a clear example that there is a big mistake, that the Bloc Quebecois is proposing the wrong measures for senior citizens who are only asking for an efficient system. Yet, the Bloc is proposing, in these amendment, a process which is very complicated, very difficult and which makes no sense.

[*English*]

For the sake of the convenience of our seniors, especially the 20,000 women on social benefits who would want to be able to make full and complete access, not only is this amendment absurd, but it would be counterproductive; it would be against their interests. Therefore, it deserves to be defeated.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure today to speak on this bill.

As our country moves into the 21st century, many significant changes are occurring, changes that are of great concern to the citizens of our country. First, the demographics are changing quite dramatically. We have an aging population. In twenty years there will be three to four workers for every retiree.

We are in a fiscal crisis. That crisis will only get worse. This government, as have preceding governments, has not had the courage to deal with that onerous problem, which seeks to sink the social programs that we have come to cherish in our country, social programs such as OAS, CPP, and UI. It is against this backdrop of crushing tax burdens to virtually every citizen that we see this bill come forth.

It is therefore with great consternation, justified as it is, that our people on social programs, the aged, the infirm, and the poor ponder their future, most of whom have indeed worked very hard to be the backbone of this country. We saw today many of

those members here who have fought and given their blood and their soul so that we may enjoy the freedom we have today in this the most beautiful country in the world. Some are well off but others, as I said before, just scrape by. This can similarly be said of our social programs, which are indeed scraping by also.

All the people we have spoken about who are relying on our social programs ask themselves if they will have enough to survive. This is indeed a common denominator, whether we are speaking of someone from British Columbia, Ontario, Quebec, or New Brunswick.

Bill C–54, an act to amend OAS, CPP, the Children's Special Allowances Act, the UI act, and so on, is conspicuous not for what it does but for what it fails to do. It is an opportunity lost as we head into the era of the implosion of our social programs, for there are no great innovative ideas in this program.

What is required is to put forth social programs on firm fiscal footing. That is not what this bill does at all. Rather, it is window dressing. While it will save the taxpayers some $10 million, which is to be applauded, it does nothing when one looks at the overall spending of social programs of some $80 billion.

One of the great fallacies of Canadian politics is the myth that the Reform Party is against social programs and the poor. I recently had a conversation with a member of this House who said to me "You in the Reform Party are really not for the poor at all, are you?" Nothing can be further from the truth. In fact I say that we are the only political party in the House that wants to ensure that the poor and the needy are taken care of in this country. As I said before, the opposite is true, from the barbs we receive across the way.

Every other party engages in a fiscal program that, due to its inability to get government program spending under control, crushes the ability of the government to pay for the social programs it offers to the Canadian people in a mythological fashion.

Today government spending in general is about $120 billion. Because of the budget being put down now—and I do not lay the blame completely as the government's fault, because preceding governments have contributed significantly to it—what the Canadian public does not understand, and what has not been communicated adequately to it, is that in three years' time there will not be $120 billion to spend, but rather $102 billion. Where will the money be cut? Where will it be found? Those who will suffer are those who are poor. Those who are rich will not suffer because they have the money to take care of themselves. We in this party always attempt to be constructive, not merely obstructionist.

• (1745)

Let us take a look at the big picture to see exactly what we are looking at. Old age security costs us $14.4 billion every year and is rising because of the demographic changes which I previously mentioned. GIS costs us $4.3 billion and is rising. CPP costs us $13.2 billion and UI costs us $19.1 billion and is rising. It is impossible to pay for that.

Therefore we in this party have always been of the mindset, and we have put forth time and time again, that we need to target our social programs to those truly in need. What is so wrong with removing the social payments from those people who are in the upper third income bracket? If we explain to the Canadian public that the money it receives is borrowed from its children and grandchildren it will be very reasonable and understand the situation cannot continue.

It is an absolute affront to engage in the generational blunder that we continue to foist upon coming generations by giving them a burden of debt which will significantly contribute to the negative environment in which they will live in the future.

Another thing we in the Reform Party wish to do is focus on the family and allow the family to take care of itself. Families are better than any government at doing that.

I ask my constituents what the biggest problem they have right now is. They are burdened with an unwieldy tax. Tax crushes their ability to take care of themselves, their children and other family members, particularly when they are in need. We should allow family members to take care of themselves. If we manage to invoke a tax decrease for them, and there are many ways to do that, they will be empowered to take care of themselves and their families.

It is interesting to look back at the early 1990s. The government of the day reduced taxes. What happened? Government revenues increased. What happened after that? The government of the day started to tax wildly; an orgy of taxation which included the GST.

When I visit the business community virtually every business person I speak to will say remove the GST. It is an unwieldy system as it stands. That money has to be found somewhere else. We do not advocate it being removed, we are saying streamline the GST, lower it, simplify it and there will be an added benefit because so much of it goes to bureaucracy in trying to manage the unwieldy taxation we have. Taxation in general, as I previously stated, is so unwieldy it is crushing the ability of Canadians to take care of themselves.

I implore the hon. minister who is here today to go to the Canadian public again. He should not rely on bureaucracy, the people who appear in committee or in his office. I ask him to go to the Canadian people. He should walk out there to ask Canadians what their concerns are. He should ask them how we

can improve the current situation so that the poor people of Canada and those who are bereft of hope can be taken care of. I implore the minister to do that. I know members of my party would be more than happy to help him to that end.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, the Minister of Human Resources Development was so happy to be able to hit the Bloc Quebecois that he did not read correctly the amendments that we are proposing. And to be able to hit even harder and with more gusto he is taking clause 2, instead of subclause (2) in clause 1.

• (1750)

The Minister of Human Resources Development who is going to speak afterwards should apologize to my colleague, the hon. member for Argenteuil—Papineau.

White hair is a sign of wisdom, because the amendment that we proposed is not the one that the minister mentioned. We are not opposed to speeding up the process, on the contrary. What we are opposed to, however, is senior citizens being required, without good reason, to deal with voice mail services. Yes, we are going to oppose part of these reforms, but before addressing the specifics of this bill, we have to say that it is presented as trivial, simply intended to streamline services for senior citizens or handicapped persons.

The truth is, under its trivial appearances, this bill contains provisions that we find very serious, because we believe that they open the door to abuse, and we are going to say so.

I proposed in these series of amendments that we revert to the current Act, under section 16, Reconsiderations and Appeals, because the new clause from this defender "extraordinaire" of Canada's senior citizens introduces a 90–day appeal period where there was none.

When we talk to senior citizens, seniors of all ages, it is important to remember to give them whatever time they need. We have to remember that these people often need help and are not able to reach the public servants who could give them access to a minister or an appeal board. So, we do not agree that there should be an appeal period, particularly since it is an amendment to the old legislation and we do not see why we should go backward like that.

Obviously, under the new amendment, the minister can allow a longer period for an appeal. He will decide whether there will be one or not. Generally speaking, under this bill, the minister will have a lot of discretion, and discretion in this context does not mean that he will not announce certain things, but that he will act as he pleases.

We think that where elderly persons and handicapped persons in particular are concerned, they must have as many avenues of redress as possible. They should not have to rely on the discretion of the minister, even if he is well intentioned and says that he wants to accelerate the process. The discretion is left to any minister who, at one point, could abuse this power.

Once again, I ask the Minister of Human Resources Development to apologize for the harsh words he had for my colleague. I want him to know that he is not the only one who has ideas and that he is far from being the only one to come to the defence of the elderly. I do not want to question his intentions, but our role is to see to what excesses these amendments could lead. When one knows that the whole act is based on an application which will be handled by public servants over the phone, you have to be extremely vigilant. This is our responsibility. I would even go as far as to say that this is our duty.

• (1755)

[*English*]

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, our concerns with this bill as it now stands with its proposed amendments relate to a closer examination of the bill which reveals some aspects of it are contrary to the public interest because they involve a reduction in bureaucratic accountability. Our proposed amendment is an attempt to correct the most flagrant of these violations of the public interest.

I will first speak on the proposed Bloc amendments. Grouping three motions deals with a combination of two review tribunals into one. At the present time there are two review tribunals, one under the old age security and one under the Canada pension plan. Bill C–54 proposes to combine the two. The Bloc motion is against the idea.

As Reformers we are against waste caused by duplicity and extra waste of time which will result in extra costs as well. As usual, when extra labour is involved taxpayers will find themselves involved in paying more taxes. I fear in this case it will be a waste of overall tax dollars. Hence, Reform is opposed to the Bloc motion to retain the two tribunals but is in favour of creating one panel from two. This suggests a more accountable spending of our tax dollars. Hence, less government is better government as I see it.

I will digress a bit and give an example. Government is expensive. Costs rise and we have more bureaucracy. It follows that if we try to eliminate unnecessary numbers even in the Chamber we do not have to increase the numbers of MPs to have good government. If we try to decrease the numbers we are looking at a government which will be just as effective, maybe even more.

Let us look at some of the statistics. According to my figures the United States has about 270 million people and about 435 representatives. We have 27 million people and 295 representatives.

I was recently in the United States talking to some American citizens, asking whether they feel they had adequate representation. They told me they felt adequately represented. I am coming back to less government which we are addressing today.

If the new electoral boundaries act becomes law we will have even more representatives in the House. I am aware that my province of British Columbia stands to benefit from the increase in numbers. However, when we look at the costs of roughly $500,000 per member for office budget, travel costs, telephone, salary, et cetera, it is an enormous cost to the taxpayer. If we can make do without that, I think we should.

If there is less government interference in Canadian lives it is more than possible Canadians will be happier. I have often heard expressed in my riding that people would like less interference by government in their lives. Consequently it follows that less government is better government. It will enable us to cut the fat.

I will use an example to help express my feelings. In March 1991 the report of the Auditor General of Canada to the Senate made recommendations. In the report to the Senate and the House of Commons on matters of joint interest these recommendations include in general terms where savings could be found in five areas.

It suggested a greater collaboration between the two Houses on a wide range of matters; for instance, the Senate buses and the busses we use. We could have one system. Others included contracting out of various services, review and reduction of service levels, increased transparency of House expenditures and efficiency improvements.

Again, what am I talking about? We are returning to cost efficiency. We are returning to saving taxpayers money. I have to oppose the Bloc amendment and agree with the government one at this time, that we do condense and go to one overall body.

I make this comparison mainly to point out that wherever possible in government matters it is our responsibility as legislators to show accountability through cutting out duplication, no matter where it occurs. Taxpayers would feel we are making an effort to watch the spending of tax dollars while at the same time maintaining efficiency and responsibility.

• (1800)

The Acting Speaker (Mrs. Maheu): Could I ask the member if she is debating Motions Nos. 1, 3, 8, 9, 10, 11, 14, 16 and 17?

Mrs. Jennings: I am on Motion No. 3 right now, Madam Speaker.

In answer to the Bloc proposal, I must conclude that we should address accountability and efficiency at the same time. Reformers prefer that one tribunal should operate within the existing moneys allotted to the Canadian pension plan tribunal. I would hope the government would address the wisdom of such a move.

Under clause 46 of the bill, the government wishes to credit into the Canada pension plan account extra money from the consolidated revenue fund to help administer the Canadian Pension Plan Act. Again I stress that Reformers would like to see this new tribunal function with the existing funding it currently employs.

If Canadians are having to make do with less and work harder for less there is no reason why a government tribunal should not find ways to do the same. These are hard times we are into today. While we would like to be optimistic, it is incumbent on us to reinforce in the Canadian electorate that we do care and are sincere in addressing cutbacks. Since it is the public's money being administered here there must be some accountability in the process.

Mr. Ken Epp (Elk Island, Ref.): Madam Speaker, I am pleased to rise to address the issue before us. I will focus quite distinctly on the motions in this group which the Bloc is proposing.

In this grouping we have an interesting juxtaposition of Liberal philosophy where the Bloc members want to maintain the two separate boards that are conducting reviews and the Liberals are proposing to combine the two existing groups into one.

The comment I will make is appropriate to the philosophy of the government. It is looking at who is administering the programs and trying to reduce these numbers, as it is in some other bills that are floating around these days.

The Liberals are talking about reducing the number of members on the board of the CBC, and other tribunals and appointed boards. They are reducing the number of people which is a move, in most instances, that could be applauded. However, one needs to ask the question whether it is being done arbitrarily and capriciously or whether it is actually based on a fair assessment of the workload. The important factor being omitted here is how many people can do the work efficiently.

The missing question, whether talking about the CBC board, this tribunal or any of the other boards it is proposed to reduce is, has there been a rational study of the actual amount of work that needs to be done? Also, what would be the actual savings accomplished by it?

The Bloc is proposing we keep these two boards separate. To the best of our knowledge the workload these people would be

carrying would be such that the amendment the Bloc is proposing is not justifiable. There should be one panel instead of two. There would be a certain degree of overlap and that overlap could be avoided if we were to combine them.

• (1805)

On a very broad spectrum, we need to address very carefully the administration of these social programs. As one of my colleagues already outlined, total government expenditures are some $160 billion a year, $40 billion of which is interest. The debt is continuing to grow. Even under the present Liberal's plan, we will still be adding $32.9 billion to the debt.

You do not have to be a great mathematician to compute that. If you add $30 billion at current interest rates, you will probably be adding in the neighbourhood of $3 billion to $5 billion a year in interest. As soon as you do that, there will be less money for social programs. It is $160 billion total, $40 billion of interest and interestingly a little more than $50 billion on the four main programs of old age security, Canada pension, guaranteed income supplement and UI. These programs need to be cut as well as the administration of them.

While we applaud the government's move to reduce the number of boards that do these reviews, we are reducing the crew members on the *Titanic* as it is most surely going down. It is a small and ever so gingerly taken step in the right direction but it does not address the real problem. We need to bring down total spending in these programs. It must be done dramatically. It must be done quickly so that we do not lose it all.

I want to say one other thing. Undoubtedly the Liberals as our opposition would be declaring: "The Reformers want to cut these programs". We do not. I have said this often. How I wish that the Conservative government and the Liberal government before that one would have been diligent in managing the fiscal affairs so that we did not have this huge debt.

If we did not have a debt so large that we are obligated to pay $40 to $45 billion per year on interest, we would have more than enough money to look after all the needs of all of these people. The numbers declare it. It is $52 billion for these four programs and $40 to $45 billion for interest.

We are talking about cutting these programs because we cannot cut the interest. It is not an option. If the previous governments would have been diligent in managing our affairs so that we would not have this debt load, we would be able to carry on with a very good solid social programs. Management is what is really critical here.

I encourage the members of the House to be opposed, with all due respect to my friends from the Bloc, to these amendments because we do achieve a small efficiency by going to a single board. At the same time I must emphasize strongly that it is not even the tip of the iceberg. It is one chip on the top of the tip of the iceberg. We are missing the whole point here.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion, the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the division on the motion now before the House stands deferred. The vote will also apply to Motions Nos. 3, 8, 9, 10, 11, 14, 16 and 17.

• (1810)

[*English*]

Motion No. 2 will be debated and voted on separately.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.) moved:

Motion No. 2

That Bill C–54, in Clause 3, be amended by striking out line 21, on page 2, and substituting the following:

"on the first day of the fourth month after the month in which this Act is assented to."

He said: Madam Speaker, I move this motion for reasons of fairness and efficiency, which is the proper combination we have attempted to apply throughout Bill C–54.

When the bill was first introduced in the fall of 1994 it contained provisions that made reference to April 1, 1995 as the date that notification for the application would be made for those to have the retroactivity provision reduced from five years to one year.

April 1 has come and gone. Therefore in the cause of fairness, the amendment that we moved which I will read for the enlightenment of members is that we would replace April 1, 1995 with the comment or the phrase "on the first day of the fourth month after the month in which this act is assented to". It

is a somewhat complicated legal way of saying that people will have three months beyond the passage of this bill in which they would be informed of the new provisions so that they would be able to make their plans and their applications.

The old age security system has had a somewhat unusual or eccentric provision which gave people five years in which to make application for their OAS. It meant that those who were able to receive advice from various experts could delay making application for tax purposes for an extended period of time. This provision brings the bill into line with other provisions of the Canada pension plan and other acts. There would be the standard one–year provision in which people could make application for their OAS. We would give them three months to make that application through the proper information circles.

We are attempting to ensure that the five–year retroactivity period is reduced to one year so there is no loophole that allows people to get a tax advantage. At the same time it ensures a proper period of information for those who want to have at least one year beyond 65 years to make application for their benefits. Therefore I recommend this motion to the House.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, perhaps the minister of Human Resources Development expects that, inspired by what he said earlier, we will want to maintain April 1 as the implementation date of the act. We will support this amendment. Considering the delays which occurred, as usual, our position being a reasonable one we will support this amendment.

However, I would like to take the time at my disposal to reply to the hon. member of the Reform Party who criticized earlier our proposal to maintain the two appeal or revision tribunals, that is one for the old age pension plan and the other one for the Canada pension plan. As hon. members know, these two plans are very different. They are not financed with the same funds since the Canada pension plan is paid for by workers who contribute to its fund while the old age pension is financed by all taxpayers.

• (1815)

As we know, the government's intention is perhaps to merge the two plans in some way as announced in the budget speech. We believe however that having only one board is far from being the best solution. I believe this has nothing to do with the costs linked to the board as my hon. colleague said earlier. The fact is those two boards will have to deal with cases that are very different.

Some witnesses before the Standing Committee on Human Resources Development explained to us how difficult it was for handicapped persons to be heard by the board. Unfortunately, the model that was chosen and the merger will not be based basically on the old age pension appeal board but on that of the Canada pension plan.

We believe that their merging is not a good idea. We do not think it will lead to savings. Quite the contrary, we think that in the interests of seniors who will have to deal with a board that handicapped persons were not satisfied with, and in the interests of the handicapped who have a right to a better process than what is currently available to them, it would be better to maintain two boards and to improve the existing Canada pension plan appeals board.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, Motion No. 2 is a motion to move the start up time of the amendments in the bill. The big concern we have is that the vote on Motion No. 2 will come before the vote on most of the proposed amendments to the bill.

The position members of the House might take on this bill as to whether it should come into effect at all surely would depend on all the motions being voted on and then the House making a judgment as to whether the bill should be put into effect. In Motion No. 2 we are being asked to put the bill into effect without knowing what might be in the bill, because there are several other amendments that will then be voted on.

On that basis I suggest the method of dealing with the bill is not very logical and that the motion is not appropriately placed. I suggest the minister consider moving the motion to a more appropriate place in the bill.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion, the yeas have it.

Pursuant to Standing Order 76.1(8), a recorded division on the motion stands deferred.

[*Translation*]

Motions Nos. 4, 13 and 15 will be grouped for debate. The vote on motion No. 4 will apply to motions Nos. 13 and 15.

Mrs. Francine Lalonde (Mercier, BQ) moved:

Motion No. 4

That Bill C–54, in Clause 20, be amended by replacing line 9, on page 12, with the following:

"sion or Statistics Canada,".

Motion No. 13

That Bill C–54, in Clause 43, be amended by replacing line 14, on page 26, with the following:

"tions or Statistics Canada, or to".

Motion No. 15

That Bill C– 54, in Clause 47, be amended by replacing lines 36 to 38, on page 29, with the following:

"ment of Supply and Services or the Canada Employment and Immigration Commission;".

She said: Madam Speaker, clause 20 is entitled "Access to privileged information" and reads as follows:

Except as provided in this section, all information with respect to any applicant or beneficiary or the spouse of any applicant or beneficiary, obtained in the course of the administration of this Act, is privileged and no person shall knowingly, except as provided in this Act, make available or allow to be made available any such information to any person not legally entitled to it.

• (1820)

The next paragraph allows the Departments of National Revenue, Finance, Supply and Services, Canada Employment and Immigration Commission, Statistics Canada or Canada Post access to the information.

We do not agree with Canada Post having access to the information. We were not told, we were not explained adequately why privileged information could be available to Canada Post, especially since Canada Post, through several of its components, is now broken up, and we know the government tendency in that respect. So, in this amendment and the others, we oppose having privileged information available to Canada Post.

I must say that we hesitated and that it is with reluctance that we accept privileged information being available to the agencies or departments that we have mentioned.

We are living in an age where the danger of disclosure of private information is ever increasing due to the interconnection of government data bases and its potential consequences. In these days and ages we are running the risk of coming under the watchful eye of Big Brother, as described by a famous novelist.

Because of some arguments that were made, we concurred with the proposition, although reluctantly, and I wanted to make that quite clear. Again, a very large part of this legislation will be managed by phone. A very large portion of the information will be transmitted by computer. In this age of technology, there is always the risk that the information will fall into the hands of people who could put it to bad use.

Consequently, we are firmly opposed to giving Canada Post access to privileged information, considering the changes made.

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, this motion is the first of a set of three amendments that would remove the minister's ability to disclose limited client information to Canada Post.

I am truly surprised that members opposite have brought this amendment at report stage. It reveals a lack of understanding of the purpose of this provision of Bill C–54 and perhaps—and I underline "perhaps"—an unwillingness to prepare for the future.

The government realizes the importance of using new technologies to provide better service to Canadians. This is especially important with regard to our income security programs for seniors. The provision of Bill C–54 that the opposition seeks to delete would enable the minister, under very restrictive conditions, to release limited information about clients to Canada Post where it is necessary for the administration of old age security, the Canada pension plan, or the Children's Allowance Act, as the case may be.

• (1825)

It is widely recognized that there are certain advantages to having a specialist work for us. One could hardly doubt that Canada Post is a specialist in the field of getting letters out to Canadians. This is exactly the reason for this provision.

Bill C–54 would allow the department to transmit the text of letters electronically to a Canada Post processing centre, where computers would print them and machines would place the letters in envelopes. Clients would receive information about their old age security or Canada pension benefits more quickly. The department would save money. Most people in my riding would think this is a very good idea.

Moreover, the confidentiality of the information clients provide to the government is protected in several ways. Canada Post employees are bound to maintain the confidentiality of the mail they deliver, whether they receive the mail in a red mailbox, on a street corner, or electronically by computer. Bill C–54 could never change that.

The Old Age Security Act, the Canada pension plan, and the Children's Special Allowances Act provide that it is an offence punishable on summary conviction to disclose client information to anyone not entitled to have that information. Bill C–54 even strengthens this protection by extending it from just employees of Her Majesty to any person who may have access to client information. This portion of Bill C–54 allows the government to provide service to clients more effectively and at a lower cost.

In spite of opposition attempts to raise the spectre of personal information being sold to those who have no rights to it, Bill C–54 actually strengthens the government's ability to protect clients' information. It is actually the opposition motion that could and would jeopardize the client confidentiality.

Canada Post is bound by law to protect that confidentiality. The opposition would have us open this up to other suppliers with the legal safeguards. Senior citizens, who would benefit greatly from the changes proposed by this bill, have a right to the facts, the correct facts. This bill would allow the government to send mail electronically through Canada Post in much the same way it currently puts letters in mailboxes.

The government is committed to finding efficiency where it can and to using new technology where possible to save money. This bill does not provide unrestricted access to information to Canada Post employees or to anyone else. However, this bill does provide adequate and even stringent penalties for illegal disclosure of information.

Bill C–54 provides sound, appropriate, and highly desirable changes to the acts governing our income security programs. We have all discussed in detail the concerns raised by the opposition, which in some way was reflected in Motion No. 4. Motions 13 and 15 seek to do the same thing to the Canada pension plan and to the Children's Special Allowances Act.

For this and many other reasons I suggest these motions be withdrawn and that all members support the speedy passage of Bill C–54.

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, I listened with interest to the hon. member who spoke before me. I am very glad to hear that there are some stringent prohibitions on the use of personal information under this act; that was very reassuring. I think we all share the concern that underlies the Bloc motions we are discussing. We do have to guard against government intrusion into our personal lives, especially in an unwarranted way that is not serving our interest but is intruding upon our individual liberties.

• (1830)

I was very interested in the Bloc speaker who was concerned about personal information falling into the wrong hands. That is a very legitimate concern in Canada.

I suggest the Bloc look at another bill before the House, Bill C–68, in which there is a great deal of personal information being amassed by a bill before the House, very personal questions being asked in a process of registration and determination. I suggest that if Bloc members really have a concern about personal information falling into the wrong hands they should be equally concerned about Bill C–68.

This is an issue that was properly raised. I was interested to hear the remarks of my hon. friend from the government side.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, obviously, I fully support my colleague for Mercier. However, the Bloc Quebecois cannot support the provisions of Bill C–54 aiming to change access to some information because the government intends to increase the number of departments, organizations or even individuals that will have access to personal information used in the administration of the acts that will be amended by this bill.

Under the previous act, that is to say the one that is currently in force, the following organizations have access to this information: the Department of National Revenue, the Department of Finance, the Department of Supply and Services, the Canada Employment and Immigration Commission, Statistics Canada, and the provincial authority. Those organizations can have access to that information as long as it deals with the entitlement of beneficiaries or the amount of benefit, or if their disclosure is essential to the legislation's application.

One has to be very careful, when trying to obtain personal information on senior citizens since it could be used for other purposes. We have to protect our seniors against potential abuse. The government did not prove that disclosing that privileged information was necessary and essential. The government always has to prove to senior citizens that the information collected will not be used abusively.

Governments interfere more and more in the privacy of people, as we saw recently in the Bristow case. It should be pointed out that the information provisions of Bill C–54 add the following organizations to those departments which can have access to such information: the Canada Post Corporation, a decision which we oppose; the Correctional Service of Canada; the Commissioner of the Royal Canadian Mounted Police; the Minister of Justice and Attorney General of Canada; members of Parliament who intervene on behalf of applicants or beneficiaries; any other person designated by the minister as a health care professional; and the Department of Veterans Affairs, as regards the administration of the above–mentioned acts or any other federal act administered by that department.

Consequently, some information will be accessible to a larger number of departments, including Canada Post. The government claims that it is a good thing to include that corporation, on the grounds that, through the use of new techniques, it could help accelerate the processing of cheques to pensioners. It is obvious that the government is experiencing enormous difficulties solving its administrative problems. However, it has not demonstrated the need to transmit information to Canada Post.

Such demonstration is essential if the Bloc Quebecois is to support that section of the bill. We particularly object to the inclusion of that corporation, because it is increasingly more present in the lives of Canadians. It has increasingly more information on each of us. Although the collection of that information is often necessary, the government must always justify beyond any doubt such new intrusions in the private lives of citizens.

The government feels that the changes to the disclosure provisions do not represent a major departure from the current rules. The Bloc Quebecois does not agree with that statement; indeed, the communication of confidential information to the Canada Post Corporation is a major change. Even though these changes must comply with the Privacy Act, we feel that it is not acceptable to include Canada Post.

• (1835)

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred. This division will also be applied to motions Nos. 13 and 15.

[*English*]

Motions Nos. 5, 6 and 7 will be grouped for debate but voted on separately.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ) moved:

Motion No. 5

That Bill C–54, in Clause 23, be amended by replacing lines 29 to 39, on page 15, with the following:

"23. Subsection 37(4) of the Act is replaced"

Motion No. 6

That Bill C–54, in Clause 23, be amended by replacing line 15, on page 16, with the following:

"the Minister shall, unless the person has".

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.) moved:

Motion No. 7

That Bill C–54, in Clause 23, be amended by adding after line 20, on page 16, the following:

"(5) Within the first 30 days that the House of Commons sits in a fiscal year the Minister shall lay before the House a report showing:

(*a*) the number of remissions and the total of all amounts remitted during the preceding fiscal year pursuant to paragraphs (4)(*a*), (*b*) and (*c*);

(*b*) the recommendation of the Minister as to the number of remissions and the total of all remissions to be made in the fiscal year under paragraph (4)(*d*) as a result of erroneous advice or administrative error made in the preceding fiscal year;

(*c*) the recommendations of the Minister as to how the number and amount of remissions under paragraph (4)(*d*) may be reduced.

(6) The report of the Minister shall be referred to such committee of the House that the House may name for the purpose, which shall recommend a limit in the amount of remissions that may be made under paragraph (4)(*d*) in the fiscal year.

(7) The Minister may not remit any amount in a fiscal year pursuant to paragraph (4)(*d*) prior to the date a recommendation has been made by a committee pursuant to subsection (6) for the fiscal year.

(8) The Minister may not remit any amount in a fiscal year pursuant to paragraph (4)(*d*) that would cause the total amount of remissions to exceed the limit recommended by the committee for that year."

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Madam Speaker, I move the following amendments to motions Nos. 5 and 6. In Motion No. 5:

That Bill C–54, in clause 23, be amended by replacing lines 25 to 39, on page 15, with the following:

"23. Subsection 37(4) of the Act is replaced".

In Motion No. 6:

That Bill C–54, in clause 23, be amended by replacing line 15, on page 16, with the following:

"the Minister shall, unless the person has—".

He said: Madam Speaker, our purpose is not to delete this clause altogether but to amend it. The one–year period for collecting overpayments is maintained and the minister is obliged to remit the amount owing in the cases specified. Consequently, subsection 37(2) is maintained and the one–year statute of limitation continues to apply, and I quote:

> (2) Where a person has received or obtained a benefit payment to which the person is not entitled, or a benefit payment in excess of the amount of that benefit payment or the excess amount, as the case may be, constitutes a debt due to Her Majesty and may be recovered in proceedings commenced
>
> (a) at any time, where that person made a wilful misrepresentation or committed fraud for the purpose of receiving or obtaining that amount or excess amount; and
>
> (b) in any case where paragraph (a) does not apply, at any time before the end of the fiscal year immediately following the fiscal year in which that amount or excess amount was received or obtained.

In his report, the Auditor General estimates that debts arising from pension overpayments are occurring in the range of $120 million to $220 million each year. According to the Auditor General, past efforts to prevent and detect overpayments have been minimal and largely ineffective. These figures appear in the Auditor General's report of 1993, on pages 483 and 486.

The Auditor General also indicated that "over 90 per cent of appeals relate to claims for Canada Pension Plan disability benefits. Over the past five years, the percentage of disability claims denied rose steadily and now stands at 44 per cent. Over the same period, the percentage of those denials that were appealed also increased, from 36 per cent in 1988–89 to 60 per cent in 1992–93. Prior–year statistics indicate that the majority of these appeals will be successful". These figures appear in the 1993 Auditor General's report on page 488.

Furthermore, the Auditor General estimates overpayments for disability pensions alone at $35 million. A provision that would allow the minister to suspend benefits during the appeal process, together with the increase in the number of appeals justified and filed by the department, might be seen as an underhanded way to reduce the number of overpayments.

Similarly, the decision to repeal this section and thus repeal the statute of limitation of one year on recovery of overpayments must have been dictated by the government's inability to process appeals on time.

The government appears to be incapable of doing anything other than tightening its rules and increasing the number of appeals to avoid overpayment. Seniors will therefore be the victims of the government's inability to resolve its administrative problems.

• (1840)

Furthermore, following the delay in issuing guaranteed income supplement cheques for seniors, which occurred near the end of April, I raised the following question in the House regarding the government's inability to manage files regarding seniors on April 27:

> "Mr. Speaker, my question is for the Minister of Human Resources Development.
>
> Since last Friday, Communication Québec, MP's offices and even the PMO have been flooded with calls from obviously very concerned pensioners. According to the Consumer Help Office, approximately 258,000 pensioners will see their old age pension cheques reduced by 50 per cent.
>
> How can the minister explain that so many seniors received or will receive this year a pension cheque not including the guaranteed income supplement to which they are entitled?"

I also asked the minister a supplementary question, which was the following:

> Mr. Speaker, does the minister deny that the Department of Human Resources Development's difficulty in processing requests is creating hardship this year, mostly among seniors?

The Minister of Human Resources Development's answer was alarming, and I quote:

> Mr. Speaker, if in some cases there have been overpayments or problems that do not fit the regulations, of course we will be sending out these letters. But to make the kinds of exaggerated claims the hon. member has, purely to frighten and scare people, is frankly not the responsibility of a good member of Parliament.

In the May 3 issue of the *Journal de Montréal*, headlines such as "Vraie course contre la montre pour le supplément de revenu"—race against time for the income supplement—clearly expose the problems facing seniors with low incomes. They are being penalized by the government's inability to fix its bureaucratic problems.

Journalist Monique Richer mentioned in her article that people who are 65 years old or older and who did not receive their guaranteed income supplement at the end of the month of April have been lining up since the beginning of the week at Guy Favreau Complex to find out what is going on.

For all these reasons, the Bloc Quebecois therefore proposes that the one–year limit on overpayments not occasioned by fraud be retained—there would be no limit in the case of fraud—so as to force the government to improve the management of the program and not unduly penalize seniors, who could have to pay back major sums a number of years after an error had been made. It would also force the minister to forgive overpayments in the following instances: when a debt cannot be recovered sufficiently quickly; when the costs of recovery are likely to be at least as high as the debt itself; when repayment would cause undue hardship for the debtor; and when the debt is the result of incorrect advice or an administrative error.

In closing, Bill C–54 provides in these instances that the minister "may" reimburse. We propose that there be no discretionary power in the above instances in order to protect the interests of seniors.

[*English*]

Mr. Martin Cauchon (Outremont, Lib.): Madam Speaker, I thank you for the opportunity to reply to the remarks of the hon. member concerning the portion of Bill C–54 which removes the time bar on the recovery of overpayments made under the old age security program.

Let us begin by laying out the facts of the current provisions which have led the government to bring the changes contained in Bill C–54.

The fairness of our current system of income security for senior citizens is marred slightly by the fact that the programs within this policy area often deal with overpayments somewhat differently. This results in a situation which can be confusing and therefore not all together equitable.

For instance, restrictions placed on the recovery of old age security overpayments have resulted in some clients retaining benefits to which they were not legally entitled.

One such restriction is the time bar which limits the government's ability to recover overpayments to amounts received by clients in the current or immediately preceding fiscal years.

[*Translation*]

The Acting Speaker (Mrs. Maheu): It being 6.44 p.m., call in the members.

PRIVATE MEMBERS' BUSINESS

• (1900)

[*English*]

AGRICULTURE

The House resumed from May 5, 1995, consideration of the motion.

Before the taking of the vote:

Mr. Boudria: Madam Speaker, I rise on a point of order. I think you would find unanimous consent that Private Member's Motion No. M–314 which we have before us today be done after all the other votes.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed from May 4, 1995, consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee; and of the amendment.

(The House divided on the amendment, which was negatived on the following division:)

(*Division No. 205*)

YEAS

Members

Abbott
Althouse
Bridgman
Gouk
Grubel
Harper (Simcoe Centre)
Hill (Macleod)
Johnston
Manning
Mayfield
Meredith
Ramsay
Schmidt
Solberg
Thompson
Ablonczy
Breitkreuz (Yorkton—Melville)
Epp
Grey (Beaver River)
Hanrahan
Hermanson
Jennings
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Penson
Ringma
Silye
Speaker
White (Fraser Valley West)—30

NAYS

Members

Alcock
Assad
Asselin
Axworthy (Winnipeg South Centre)
Barnes
Bellemare
Bernier (Gaspé)
Bodnar
Bouchard
Brien
Brushett
Bélair
Bélisle
Campbell
Catterall
Clancy
Cowling
de Savoye
DeVillers
Dromisky
Dumas
Easter
English
Flis
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gauthier (Roberval)
Godfrey
Goodale
Grose
Guay
Harb
Harvard
Hopkins
Irwin
Jacob
Kirkby
Kraft Sloan
Landry
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lefebvre
Lincoln
Loubier
Malhi
Manley
Martin (LaSalle—Émard)
McCormick
McWhinney
Mifflin
Minna
Murphy
Nault
Paradis
Allmand
Assadourian
Augustine
Bachand
Bellehumeur
Bernier (Beauce)
Bevilacqua
Bonin
Boudria
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Cannis
Cauchon
Collins
Crawford
Deshaies
Dingwall
Duhamel
Dupuy
Eggleton
Fillion
Gagliano
Gallaway
Gerrard
Godin
Gray (Windsor West)
Guarnieri
Guimond
Harper (Churchill)
Hickey
Ianno
Jackson
Karygiannis
Knutson
Lalonde
Lavigne (Beauharnois—Salaberry)
Lee
Leroux (Shefford)
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
Massé
McLellan (Edmonton Northwest)
Mercier
Milliken
Mitchell
Murray
Pagtakhan
Patry

Peters	Peterson
Phinney	Picard (Drummond)
Pillitteri	Reed
Regan	Richardson
Robichaud	Robillard
Rocheleau	Rompkey
Scott (Fredericton—York—Sunbury)	Serré
Simmons	St-Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Terrana	Thalheimer
Torsney	Tremblay (Rosemont)
Ur	Vanclief
Walker	Wappel
Young —133	

PAIRED MEMBERS

Anderson	Baker
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Blondin-Andrew	Canuel
Caron	Chan
Chrétien (Frontenac)	Cohen
Collenette	Crête
Dalphond-Guiral	Daviault
DeVillers	Debien
Dubé	Duceppe
Gaffney	Gagnon (Québec)
Hubbard	Keyes
Langlois	Laurin
Lebel	Leblanc (Longueuil)
Leroux (Richmond—Wolfe)	MacAulay
MacDonald	MacLaren
Marchand	Marchi
McGuire	McKinnon
Ménard	O'Brien
Paré	Payne
Plamondon	Pomerleau
Rock	Sauvageau
Speller	St-Laurent
Tobin	Tremblay (Rimouski—Témiscouata)
Wells	Wood

The Acting Speaker (Mrs. Maheu): I declare the amendment as amended negatived.

* * *

LOBBYISTS REGISTRATION ACT

The House resumed from May 5, 1995, consideration of the motion that Bill C-43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts, be read the third time and passed.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred division at the third reading stage of Bill C-43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts.

Mr. Boudria: Madam Speaker, I rise on a point of order. I think you would find unanimous consent that the members who have voted on the previous motion be deemed to have voted on the motion now before the House. Liberal members will be voting yea.

[*Translation*]

Mr. Bellehumeur: Madam Speaker, we will be voting no.

[*English*]

Mr. Silye: Madam Speaker, I think you will find that most of the Reformers will vote no.

Mr. Bernier (Beauce): Yea.

Mr. Althouse: Madam Speaker, I will be voting no.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 206*)

YEAS

Members

Alcock	Allmand
Assad	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Barnes	Bellemare
Bernier (Beauce)	Bevilacqua
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Cauchon	Clancy
Collins	Cowling
Crawford	DeVillers
Dingwall	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Flis
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Gray (Windsor West)	Grose
Guarnieri	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Ianno	Irwin
Jackson	Karygiannis
Kirkby	Knutson
Kraft Sloan	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Lincoln
Loney	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McLellan (Edmonton Northwest)
McWhinney	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	Nault
Pagtakhan	Paradis
Patry	Peters
Peterson	Phinney
Pillitteri	Reed
Regan	Richardson
Robichaud	Robillard
Rompkey	Scott (Fredericton—York—Sunbury)
Serré	Simmons
St. Denis	Steckle
Stewart (Brant)	Szabo
Terrana	Thalheimer
Torsney	Ur
Vanclief	Walker
Wappel	Young —106

NAYS

Members

Abbott	Ablonczy
Althouse	Asselin
Bachand	Bellehumeur
Bernier (Gaspé)	Bouchard
Breitkreuz (Yorkton—Melville)	Bridgman
Brien	Bélisle
de Savoye	Deshaies
Dumas	Epp
Fillion	Gauthier (Roberval)
Godin	Gouk
Grey (Beaver River)	Grubel

Guay
Hanrahan
Hermanson
Jacob
Johnston
Lalonde
Lavigne (Beauharnois—Salaberry)
Leroux (Shefford)
Manning
Mayfield
Mercier
Penson
Ramsay
Rocheleau
Silye
Speaker
Thompson
White (Fraser Valley West)—57

Guimond
Harper (Simcoe Centre)
Hill (Macleod)
Jennings
Kerpan
Landry
Lefebvre
Loubier
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Picard (Drummond)
Ringma
Schmidt
Solberg
St-Laurent
Tremblay (Rosemont)

PAIRED MEMBERS

Members

Anderson
Beaumier
Bernier (Mégantic—Compton—Stanstead)
Blondin-Andrew
Caron
Chrétien (Frontenac)
Collenette
Dalphond-Guiral
DeVillers
Dubé
Gaffney
Hubbard
Langlois
Lebel
Leroux (Richmond—Wolfe)
MacDonald
Marchand
McGuire
Ménard
Paré
Plamondon
Rock
Speller
Tobin
Wells

Baker
Bergeron
Bertrand
Canuel
Chan
Cohen
Crête
Daviault
Debien
Duceppe
Gagnon (Québec)
Keyes
Laurin
Leblanc (Longueuil)
MacAulay
MacLaren
Marchi
McKinnon
O'Brien
Payne
Pomerleau
Sauvageau
St-Laurent
Tremblay (Rimouski—Témiscouata)
Wood

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the third time and passed.)

* * *

VETERANS REVIEW AND APPEAL BOARD ACT

The House resumed consideration of Bill C–67, an act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other acts and to repeal the Veterans Appeal Board Act as reported (with amendment) from the committee.

The Acting Speaker (Mrs. Maheu): The first question is on Motion No. 1. A vote on this motion also applies to Motions Nos. 8, 9 and 12.

• (1915)

[*Translation*]

Mr. Boudria: Madam Speaker, I rise on a point of order. If you were to seek it, I think that you would find unanimous consent to apply to the motion now before the House the vote taken on the Reform Party amendment at the second reading stage of Bill C–85.

You would also find unanimous consent for the the vote to apply to Motion No. 3 as well as Motion No. 10 at report stage of the same bill, both standing in the name of Mr. Frazer.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 205.*]

The Acting Speaker (Mrs. Maheu): I declare Motions Nos. 1, 3, and 10 lost.

The next division will be on Motion No. 2. The vote will also apply to Motion No. 4.

Mr. Boudria: Madam Speaker, I think you will find unanimous consent for the following proposal: That all members who voted on the motion on Bill C–85 be recorded has having voted on the motion presently before the House and as follows: Liberal members are voting no.

Mr. Bellehumeur: The Bloc Quebecois will vote in favour of this motion.

[*English*]

Mr. Silye: Madam Speaker, I think you will find the vast majority of Reformers vote no.

Mr. Bernier (Beauce): I vote no.

Mr. Althouse: I vote no.

[*Translation*]

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 207*)

YEAS

Members

Asselin
Bellehumeur
Bouchard
Bélisle
Deshaies
Fillion
Godin
Guimond
Lalonde
Lavigne (Beauharnois—Salaberry)
Leroux (Shefford)
Mercier
Rocheleau
Tremblay (Rosemont)—27

Bachand
Bernier (Gaspé)
Brien
de Savoye
Dumas
Gauthier (Roberval)
Guay
Jacob
Landry
Lefebvre
Loubier
Picard (Drummond)
St-Laurent

NAYS

Members

Abbott	Ablonczy
Alcock	Allmand
Althouse	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Barnes
Bellemare	Bernier (Beauce)
Bevilacqua	Bodnar
Bonin	Boudria
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder
Campbell	Cannis
Catterall	Cauchon
Clancy	Collins
Cowling	Crawford
DeVillers	Dingwall
Dromisky	Duhamel
Dupuy	Easter
Eggleton	English
Epp	Flis
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Gouk	Gray (Windsor West)
Grey (Beaver River)	Grose
Grubel	Guarnieri
Hanrahan	Harb
Harper (Churchill)	Harper (Simcoe Centre)
Harvard	Hermanson
Hickey	Hill (Macleod)
Hopkins	Ianno
Irwin	Jackson
Jennings	Johnston
Karygiannis	Kerpan
Kirkby	Knutson
Kraft Sloan	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Lincoln
Loney	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Manning
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)	Massé
Mayfield	McClelland (Edmonton Southwest)
McCormick	McLellan (Edmonton Northwest)
McWhinney	Meredith
Mifflin	Milliken
Minna	Mitchell
Murphy	Murray
Nault	Pagtakhan
Paradis	Patry
Penson	Peters
Peterson	Phinney
Pillitteri	Ramsay
Reed	Regan
Richardson	Ringma
Robichaud	Robillard
Rompkey	Schmidt
Scott (Fredericton—York—Sunbury)	Serré
Silye	Simmons
Solberg	Speaker
St. Denis	Steckle
Stewart (Brant)	Szabo
Terrana	Thalheimer
Thompson	Torsney
Ur	Vanclief
Walker	Wappel
White (Fraser Valley West)	Young —136

PAIRED MEMBERS

Anderson	Baker
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Blondin-Andrew	Canuel
Caron	Chan
Chrétien (Frontenac)	Cohen
Collenette	Crête
Dalphond-Guiral	Daviault
DeVillers	Debien
Dubé	Duceppe
Gaffney	Gagnon (Québec)
Hubbard	Keyes
Langlois	Laurin
Lebel	Leblanc (Longueuil)
Leroux (Richmond—Wolfe)	MacAulay
MacDonald	MacLaren
Marchand	Marchi
McGuire	McKinnon
Ménard	O'Brien
Paré	Payne
Plamondon	Pomerleau
Rock	Sauvageau
Speller	St-Laurent
Tobin	Tremblay (Rimouski—Témiscouata)
Wells	Wood

The Acting Speaker (Mrs. Maheu): I declare Motion No. 2 lost. Therefore, I declare Motion No. 4 also lost.

[*English*]

Mr. Boudria: Madam Speaker, I think you would find unanimous consent that the vote we have taken also apply unanimously and in the same order to report stage Motions Nos. 5 and 6.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Does the hon. member for the opposition agree?

Mr. Bellehumeur: Agreed.

Mr. Silye: Agreed.

• (1920)

[*Editor's Note: See list under Division No. 207.*]

The Acting Speaker (Mrs. Maheu): I declare Motions Nos. 5 and 6 lost.

[*English*]

The next question is on Motion No. 7.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent that the vote on the Lobbyists Registration Act main motion for third reading be applied in reverse to the motion now before the House, as well as to Motion No. 11.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(The House divided on the motion, which was negatived on the following division:)

Government Orders

(Division No. 208)

YEAS

Members

Abbott
Althouse
Bachand
Bernier (Gaspé)
Breitkreuz (Yorkton—Melville)
Brien
de Savoye
Dumas
Fillion
Godin
Grey (Beaver River)
Guay
Hanrahan
Hermanson
Jacob
Johnston
Lalonde
Lavigne (Beauharnois—Salaberry)
Leroux (Shefford)
Manning
Mayfield
Mercier
Penson
Ramsay
Rocheleau
Silye
Speaker
Thompson
White (Fraser Valley West)—57

Ablonczy
Asselin
Bellehumeur
Bouchard
Bridgman
Bélisle
Deshaies
Epp
Gauthier (Roberval)
Gouk
Grubel
Guimond
Harper (Simcoe Centre)
Hill (Macleod)
Jennings
Kerpan
Landry
Lefebvre
Loubier
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Meredith
Picard (Drummond)
Ringma
Schmidt
Solberg
St-Laurent
Tremblay (Rosemont)

NAYS

Members

Alcock
Assad
Augustine
Barnes
Bernier (Beauce)
Bodnar
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Collins
Crawford
Dingwall
Duhamel
Easter
English
Gagliano
Gallaway
Godfrey
Gray (Windsor West)
Guarnieri
Harper (Churchill)
Hickey
Ianno
Jackson
Kirkby
Kraft Sloan
Lee
Loney
Malhi
Manley
Martin (LaSalle—Émard)
McCormick
McWhinney
Milliken
Mitchell

Allmand
Assadourian
Axworthy (Winnipeg South Centre)
Bellemare
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Clancy
Cowling
DeVillers
Dromisky
Dupuy
Eggleton
Flis
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Goodale
Grose
Harb
Harvard
Hopkins
Irwin
Karygiannis
Knutson
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
Massé
McLellan (Edmonton Northwest)
Mifflin
Minna
Murphy

Murray
Pagtakhan
Patry
Peterson
Pillitteri
Regan
Robichaud
Rompkey
Serré
St. Denis
Stewart (Brant)
Terrana
Torsney
Vanclief
Wappel

Nault
Paradis
Peters
Phinney
Reed
Richardson
Robillard
Scott (Fredericton—York—Sunbury)
Simmons
Steckle
Szabo
Thalheimer
Ur
Walker
Young —106

PAIRED MEMBERS

Anderson
Beaumier
Bernier (Mégantic—Compton—Stanstead)
Blondin-Andrew
Caron
Chrétien (Frontenac)
Collenette
Dalphond-Guiral
DeVillers
Dubé
Gaffney
Hubbard
Langlois
Lebel
Leroux (Richmond—Wolfe)
MacDonald
Marchand
McGuire
Ménard
Paré
Plamondon
Rock
Speller
Tobin
Wells

Baker
Bergeron
Bertrand
Canuel
Chan
Cohen
Crête
Daviault
Debien
Duceppe
Gagnon (Québec)
Keyes
Laurin
Leblanc (Longueuil)
MacAulay
MacLaren
Marchi
McKinnon
O'Brien
Payne
Pomerleau
Sauvageau
St-Laurent
Tremblay (Rimouski—Témiscouata)
Wood

The Acting Speaker (Mrs. Maheu): I declare Motions Nos. 7 and 11 negatived.

Hon. Herb Gray (for the Minister of National Defence and Minister of Veterans Affairs, Lib.) moved that the bill be concurred in.

The Acting Speaker (Mrs. Maheu): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

Mr. Boudria: Madam Speaker, I think that you would find unanimous consent that the vote taken on the amendment to Bill C–85 at second reading be taken in reverse on the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(The House divided on the motion which was agreed to on the following division:)

(Division No. 209)

YEAS

Members

Alcock	Allmand
Assad	Assadourian
Asselin	Augustine
Axworthy (Winnipeg South Centre)	Bachand
Barnes	Bellehumeur
Bellemare	Bernier (Beauce)
Bernier (Gaspé)	Bevilacqua
Bodnar	Bonin
Bouchard	Boudria
Brien	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Bélisle	Calder
Campbell	Cannis
Catterall	Cauchon
Clancy	Collins
Cowling	Crawford
de Savoye	Deshaies
DeVillers	Dingwall
Dromisky	Duhamel
Dumas	Dupuy
Easter	Eggleton
English	Fillion
Flis	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gallaway
Gauthier (Roberval)	Gerrard
Godfrey	Godin
Goodale	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harb	Harper (Churchill)
Harvard	Hickey
Hopkins	Ianno
Irwin	Jackson
Jacob	Karygiannis
Kirkby	Knutson
Kraft Sloan	Lalonde
Landry	Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap–Breton Highlands—Canso)	Lee
Lefebvre	Leroux (Shefford)
Lincoln	Loney
Loubier	MacLellan (Cape/Cap–Breton—The Sydneys)
Malhi	Maloney
Manley	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McLellan (Edmonton Northwest)
McWhinney	Mercier
Mifflin	Milliken
Minna	Mitchell
Murphy	Murray
Nault	Pagtakhan
Paradis	Patry
Peters	Peterson
Phinney	Picard (Drummond)
Pillitteri	Reed
Regan	Richardson
Robichaud	Robillard
Rocheleau	Rompkey
Scott (Fredericton—York—Sunbury)	Serré
Simmons	St–Laurent
St. Denis	Steckle
Stewart (Brant)	Szabo
Terrana	Thalheimer
Torsney	Tremblay (Rosemont)
Ur	Vanclief
Walker	Wappel
Young —133	

NAYS

Members

Abbott	Ablonczy
Althouse	Breitkreuz (Yorkton—Melville)
Bridgman	Epp
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Simcoe Centre)	Hermanson
Hill (Macleod)	Jennings
Johnston	Kerpan
Manning	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
Meredith	Penson
Ramsay	Ringma
Schmidt	Silye
Solberg	Speaker
Thompson	White (Fraser Valley West)—30

PAIRED MEMBERS

Anderson	Baker
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Blondin–Andrew	Canuel
Caron	Chan
Chrétien (Frontenac)	Cohen
Collenette	Crête
Dalphond–Guiral	Daviault
DeVillers	Debien
Dubé	Duceppe
Gaffney	Gagnon (Québec)
Hubbard	Keyes
Langlois	Laurin
Lebel	Leblanc (Longueuil)
Leroux (Richmond—Wolfe)	MacAulay
MacDonald	MacLaren
Marchand	Marchi
McGuire	McKinnon
Ménard	O'Brien
Paré	Payne
Plamondon	Pomerleau
Rock	Sauvageau
Speller	St–Laurent
Tobin	Tremblay (Rimouski—Témiscouata)
Wells	Wood

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

* * *

INCOME TAX ACT

The House resumed from May 5, 1995, consideration of the motion that Bill C–70, an act to amend the Income Tax Act, the Income Tax Application Rules and related acts, be read the second time and referred to a committee.

Mr. Boudria: Madam Speaker, I think you would find unanimous consent that the third reading vote taken on Bill C–43, of the Lobbyists Registration Act, be applied to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 206.*]

• (1925)

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

(Bill read the second time and referred to a committee.)

PRIVATE MEMBERS' BUSINESS

[*English*]

AGRICULTURE

The House resumed from May 5 consideration of the motion.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 45(6), the House will now proceed to the taking of the deferred division on Motion M–314.

As is the practice, the division will be taken row by row starting with the mover of the motion and then proceeding with those in favour of the motion sitting the same side of the House as the mover. Those in favour of the motion sitting on the other side of the House will then be called.

[*Translation*]

Those opposed to the motion will be called in the same order.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 210)

YEAS

Members

Abbott	Ablonczy
Asselin	Bachand
Bellehumeur	Bernier (Gaspé)
Bouchard	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Bélisle	de Savoye
Deshaies	Dumas
Epp	Fillion
Gauthier (Roberval)	Godin
Gouk	Grey (Beaver River)
Grubel	Guay
Guimond	Hanrahan
Harper (Simcoe Centre)	Hermanson
Hill (Macleod)	Jacob
Jennings	Johnston
Kerpan	Lalonde
Landry	Lavigne (Beauharnois—Salaberry)
Lefebvre	Leroux (Shefford)
Loubier	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	Mercier
Meredith	Penson
Picard (Drummond)	Ramsay
Ringma	Rocheleau
Schmidt	Silye
Solberg	Speaker
St–Laurent	Thompson
Tremblay (Rosemont)	White (Fraser Valley West)—56

NAYS

Members

Alcock	Althouse
Assad	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Barnes	Bellemare
Bernier (Beauce)	Bevilacqua
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Cannis	Catterall
Cauchon	Clancy
Collins	Cowling
Crawford	DeVillers
Dingwall	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Flis
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Gray (Windsor West)	Grose
Guarnieri	Harb
Harper (Churchill)	Harvard
Hickey	Hopkins
Ianno	Irwin
Jackson	Kirkby
Knutson	Kraft Sloan
LeBlanc (Cape/Cap–Breton Highlands—Canso)	Lee
Lincoln	Loney
MacLellan (Cape/Cap–Breton—The Sydneys)	Malhi
Maloney	Manley
Marleau	Martin (LaSalle—Émard)
Massé	McCormick
McLellan (Edmonton Northwest)	McWhinney
Mifflin	Milliken
Mitchell	Murphy
Murray	Nault
Pagtakhan	Paradis
Patry	Peters
Peterson	Phinney
Pillitteri	Reed
Regan	Richardson
Robichaud	Robillard
Rompkey	Scott (Fredericton—York—Sunbury)
Serré	St. Denis
Steckle	Stewart (Brant)
Szabo	Terrana
Thalheimer	Torsney
Ur	Vanclief
Walker	Wappel
Young —103	

PAIRED MEMBERS

Anderson	Baker
Beaumier	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bertrand
Blondin–Andrew	Canuel
Caron	Chan
Chrétien (Frontenac)	Cohen
Collenette	Crête
Dalphond–Guiral	Daviault
DeVillers	Debien
Dubé	Duceppe
Gaffney	Gagnon (Québec)
Hubbard	Keyes
Langlois	Laurin
Lebel	Leblanc (Longueuil)
Leroux (Richmond—Wolfe)	MacAulay
MacDonald	MacLaren

Marchand	Marchi	
McGuire	McKinnon	
Ménard	O'Brien	
Paré	Payne	
Plamondon	Pomerleau	
Rock	Sauvageau	
Speller	St-Laurent	
Tobin	Tremblay (Rimouski—Témiscouata)	
Wells	Wood	

The Acting Speaker: I declare the motion negatived.

[*English*]

It being 7.33 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.33 p.m.)

HOUSE OF COMMONS

Tuesday, May 9, 1995

The House met at 10 a.m.

Prayers

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to table, in both official languages and pursuant to Standing Order 36(8), the government's response to 42 petitions.

* * *

PETITIONS

HEALTH

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, I have the honour to present a number of petitions representing all provinces and territories expressing concern that breast cancer has not been taken on as a national issue and a national priority, given that 5,400 Canadian women will die this year from that disease and about 17,000 Canadian women will be diagnosed.

The petitioners have asked that Parliament establish a toll free information and support line. They urge the government to begin consultations to establish parameters for a national registry of drugs and medical devices and various forms of biotechnology.

VIOLENCE IN THE MEDIA

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, these petitioners, while applauding the initiatives of government and the CRTC to reduce violence and abuse in all of its forms in the media, continue to emphasize the importance of accentuating the efforts because they believe it is not necessary in order to educate, to inform or to entertain. They also believe that very often these depictions of abuse and violence are contrary to their efforts to raise their children.

Once again they ask government and the CRTC to be extremely vigilant.

[*Translation*]

The petitioners are responsible people who believe in the need to reduce violence and abuse in the media.

[*English*]

JUSTICE

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it is a pleasure to introduce a petition to Parliament. The petitioners are calling on Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders in support of my colleague's Bill C–240.

It is a pleasure for me because an incident inspired the petition. There are 27 pages directly related to this. I suggested to the people in that community that one of the most effective ways of getting this on to the table was through a petition. This shows a very responsible attitude on the part of the people from Elkford.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I have several petitions to place before the House.

The first asks that Parliament not pass Bill C–41 with section 718.2 as presently written and in any event not include the undefined phrase sexual orientation, as the behaviour people engage in does not warrant special considerations in Canadian law.

GOVERNMENT SPENDING

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, another petition asks that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, another petition asks that Parliament delete section 718.2 of Bill C–41 or at the very least delete the words sexual orientation and permit a free vote in Parliament on Bill C–41.

• (1010)

RIGHTS OF THE UNBORN

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the last petition asks Parliament to act immediately to extend

protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

HUMAN RIGHTS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is my honour to present petitions today on behalf of people of Elk Island and surrounding constituencies.

The first petition contains approximately 335 names. The petitioners ask that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationship or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

ASSISTED SUICIDE

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the second petition contains 55 names. The petitioners ask that Parliament ensure present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

OFFICIAL OPPOSITION

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am today presenting a petition on behalf of my constituents of Prince George—Peace River asking Parliament to recognize the Reform Party of Canada as the official opposition during the remainder of the 35th Parliament. They feel the rights and interests of all Canadian citizens cannot be adequately protected and defended by the Bloc Quebecois.

Mr. White (Fraser Valley West): Mr. Speaker, I would like to present three more petitions if there is time.

The Acting Speaker (Mr. Kilger): Following a consultation with the table officers I understand members should table all petitions they might wish to when they are recognized in the first instance and that they will not be recognized in the second instance.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. Kilger): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed from May 8 consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I rise on a point of order. Several members having stood, I move:

That the hon. member for Calgary West be now heard.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 211*)

YEAS

Members

Abbott	Althouse
Bridgman	Chatters
de Jong	Epp
Gouk	Grey (Beaver River)
Grubel	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Hayes	Hermanson
Hill (Macleod)	Hill (Prince George—Peace River)
Jennings	Johnston
Kerpan	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
Meredith	Morrison
Penson	Ringma
Silye	Solberg
Solomon	White (Fraser Valley West)
Williams—31	

NAYS

Members

Alcock
Arseneault
Assadourian
Augustine
Bakopanos
Bellemare
Bernier (Beauce)
Blondin-Andrew
Boudria
Brushett
Bélair
Bélisle
Campbell
Cauchon
Collins
Cowling
Culbert
Deshaies
Discepola
Duceppe
Dumas
Easter
English
Fillion
Flis
Gauthier (Roberval)
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Harb
Ianno
Jackson
Jordan
Lalonde
Lavigne (Beauharnois—Salaberry)
Loney
MacLaren
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McTeague
Mercier
Milliken
Murphy
Nault
Ouellet
Parrish
Patry
Peters
Pickard (Essex—Kent)
Proud
Regan
Ringuette-Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Simmons
St. Denis
Stewart (Northumberland)
Terrana
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Volpe
Whelan
Zed—135

Anawak
Assad
Asselin
Axworthy (Winnipeg South Centre)
Bellehumeur
Bergeron
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Calder
Catterall
Clancy
Copps
Crawford
Debien
Dingwall
Dromisky
Duhamel
Dupuy
Eggleton
Fewchuk
Finestone
Gagliano
Gerrard
Godin
Graham
Grose
Guimond
Hopkins
Irwin
Jacob
Knutson
Lastewka
Lefebvre
Loubier
Malhi
Manley
Marleau
Massé
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mitchell
Murray
Nunez
Paradis
Paré
Peric
Picard (Drummond)
Pillitteri
Reed
Rideout
Robichaud
Rocheleau
Rompkey
Serré
St-Laurent
Steckle
Szabo
Thalheimer
Tremblay (Rosemont)
Valeri
Venne
Walker
Young

PAIRED—MEMBERS

Members

Adams
Bernier (Mégantic—Compton—Stanstead)
Caccia
Chrétien (Frontenac)
Dalphond-Guiral
DeVillers
Finlay
Gagnon (Québec)
Harvard
Kraft Sloan
Laurin
Leblanc (Longueuil)
MacDonald
Marchand
McKinnon
Payne
Speller

Baker
Bouchard
Caron
Crête
Daviault
Dubé
Gaffney
Guay
Hubbard
Landry
Lebel
MacAulay
Maheu
McGuire
O'Brien
Sauvageau
de Savoye

• (1050)

The Acting Speaker (Mr. Kilger): I declare the motion negatived.

Mr. Strahl: Mr. Speaker, I rise on a point of order. I was unavoidably detained. If I had been here I would have supported my colleague's motion.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to participate in the debate this morning.

What a difference a year makes. A little over a year ago Reform Party MPs said they were to take 15 per cent pay cuts. Then they pretended they wanted a reduction in MPs benefits. Now Reform Party MPs are asking for a pay raise. Would you believe it? Yes.

Some hon. members: Shame.

Mr. Boudria: Duplicity, thy name is Reform. That is what we have this morning. We have some MPs who should be recalled from the opposition side of the House.

Some hon. members: Recall.

Mr. Boudria: Most members of Parliament, if not all, are worth every cent of their pay cheques. In principle members are underpaid. The hon. member for Ottawa Centre put it very eloquently. The Prime Minister has said it before. We all agree it is true but that is not the point at the present time. In particular one political party in the House, is saying two things at once.

An hon. member: Which one?

Mr. Boudria: I have to admit it is the Reform Party.

By coincidence this is the same party that wanted to be frugal. When it came to Ottawa the first thing it asked for was larger office space. This is the same party that came to Ottawa and rejected a limousine and had one delivered by the back entrance.

Shall I remind the House about the suitable venture of the leader of that party? Let us not talk about free contributions to people's RRSPs and other such ventures to enhance the salary package of those who were claiming that MPs were overpaid.

[*Translation*]

No, Mr. Speaker, I can assure you that today's debate has nothing to do with MPs' salaries and benefits. The debate held today in this House is about honesty and openness. That is the real issue being debated in this House.

As we can see, some members of a political formation across the way are now getting it in the neck with regard to openness, honesty and sincerity in this House.

We have been debating this bill for several hours already.

[*English*]

Last week Reform Party MPs proposed meaningless amendments to the bill because they did not want it to go to committee. Why did they not want it to go to committee? Because they did not really want a pay decrease. They wanted a pay increase. Now we know why they did not want the bill to go to committee. They produced dilatory motions to stop the bill from going to committee.

This morning they tried their best again to stop the bill from going to committee. It will not happen again. I move:

That the question be now put.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I am almost embarrassed to rise after the speech of the member for Glengarry—Prescott—Russell.

• (1100)

His comments clearly indicate the kinds of problems we have. Reform Party members, I will remind members, took pay cuts over the last year. Other members of Parliament did not do that. Members of the Reform Party have committed to opt out of the MP pension plan. We anticipate that very few other members of Parliament will do that. There will be a few honourable people on the other side.

Perhaps one of the reasons Reform Party members are willing to do these things is that unlike the previous speaker and many others on the other side, Reform Party members had no trouble before they were here and will have no trouble after they are here finding other employment and making a decent living.

In any case, let me address the bill before us today, Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act, which is of course the MP pension. These amendments have been a long time in coming. For 18 months this government has been promising changes. Finally we see the marginal changes that we see now.

The Reform Party has long called for changes to the overly generous pensions for MPs. Last November 22, I and many of my colleagues spoke in support of the motion of the hon. member for Beaver River, asking the government to replace the current members of Parliament retirement allowance with a plan reflecting the current norms for private sector pensions. This was rejected by both the Liberals and the separatists. Clearly, the Liberals' new proposal, the freedom 55 plan, does not accomplish this.

Before I speak to some of the specifics of this bill in the few minutes I have, I would like to make it clear that I personally would support a fair pension plan. My wife and I just purchased our first home and we are planning for our future, but I could not go home and look my wife or my constituents in the eye if I opted into a plan like the one offered in Bill C–85. Instead, I will put my own money into an RRSP, just like millions of other Canadians, and hopefully the government will not see fit to cut those again, as it has in the past.

Let us take a look at how this plan evolved from the plan introduced by Prime Minister Louis St. Laurent in 1952 to the monstrosity that is proposed today. According to Mr. St. Laurent, the original plan was "to be actuarially sound and a matter that would operate without any further charge on the public funds than the matching of contribution to be made by all members of Parliament".

Mr. St. Laurent indicated that the plan was never really intended at the time to be a pension per se. According to Mr. St. Laurent, it was to provide for members in their later years and to reward them for their public service.

At that time members contributed 6 per cent of what was an annual $4,000 salary in return for an allowance equal to only 4.5 per cent of their indemnity if they retired after serving more than two Parliaments.

In 1963 the Members of Parliament Retiring Allowances Act was amended to require members to contribute 6 per cent of their $12,000 indemnity per annum. Rather than the flat percentage allowance, benefits were increased to 2.5 per cent of the member's annual indemnity up to a maximum of 75 per cent.

In 1965 additional provisions were made for a retirement allowance plan to allow senators to participate at a 3 per cent benefit accrual rate. Members will recall that at that time the term for senators was changed from life to age 75, so for the first time there was provision for retirement in the Senate.

It was really in 1981 that the changes to the benefit rate for MPs began to make this plan the obscene one we have today.

This was when the benefit accrual rate was increased to 5 per cent and the generous inflation protection, the full inflation protection we now have, was implemented.

We can see from the report on the administration of the Members of Parliament Retiring Allowances Act for 1983 that while it varied from year to year, the plan kept up the appearance of a one–to–one member–to–government contribution ratio from 1952 all the way to 1992. However, as we know, this was an illusion due to accounting practices, and it vanished in 1991–92 with the $158 million top–up that was needed to the plan. This actuarial adjustment credit was needed to comply with legislative changes in Bill C–55 at the time requiring that adequate contributions be credited to meet the costs of pension obligations as they accrue.

• (1105)

With this top up, the cost of the plan to taxpayers in the form of interest on the plan was also increased. Many people do not know that the government does in fact pay a generous rate of interest on this account, which is of course a cost to the taxpayers but which is not included in the total cost the government admits is involved in this plan.

With the top up in 1992, the unrecognized cost was $3.4 million. It has gradually escalated to $20.4 million in 1992–93 and then to $23 million in 1993–94. It is also interesting to note that the rate at which the government pays interest into the MP pension plan, about 10 per cent, while not an unreasonable rate, is considerably higher than the 4 per cent it will pay when it returns contributions to members who choose to opt out or who do not meet the six–year vesting period.

Bill C–55 also caused the division of the members' pension plan into two parts to achieve compliance with changes to the Income Tax Act regarding the rules for registered pension plans. Now we have one portion that conforms with rules for registration and the other a "retirement compensation arrangement" that does not. This portion has much higher associated costs for the plan because of the refundable tax paid on it. Bill C–85 does not correct this.

Clearly the 1952 idea of providing politicians with a financial buffer to compensate them for periods of employment uncertainty is contrary to the reality our constituents now face. In the 1990s the concept of job security has all but disappeared, not just for Canadians in the broad workforce but even for Canadians in the most traditionally secure areas of the public sector.

Similarly unacceptable is the argument that MPs are underpaid and thus must get bigger retirement benefits. If the government feels MPs are underpaid, then the government should address that issue in a transparent manner, not through the backward route of an overly generous pension plan. The Reform Party's position on this is clear: there should be no increase in MP salaries or office budgets until this country's budget is balanced.

As many private sector employers and some of the provincial legislatures have obviously realized, this type of plan, a defined benefit plan, is very costly to employers and the costs are difficult to accurately predict. There is no real relationship between how much a member contributes to the plan and the benefits a member receives.

Several provincial governments have recently taken drastic measures to scale back or to eliminate traditional pension benefits for politicians. Prince Edward Island rolled back pension benefits and then wound up the plan completely. Similarly, the Alberta government lowered the benefits for some of the recipients already collecting their pensions and then ended the plan for future MLAs.

It is interesting to note that the benefit accrual rate for Alberta MLAs prior to this roll back was 4 per cent, the rate now being proposed by the government. A study had found that the net value of one year's worth of pension accrual for an MLA was $28,733 under that plan, compared to an equivalent $9,034 in the private sector. For the federal plan we are presently under and under which many members of the House will still collect benefits, this number was $42,741 a year.

The Manitoba legislature will implement reforms far in excess of those proposed by this government following the next election. Their pension plan arrangement will be replaced by an RRSP savings plan arrangement where taxpayers only have to match each member's contribution.

Even here in Ontario the provincial Liberals in their "son of red book" promised that if they are elected they will scrap the Ontario legislative pension plan and replace it with a group RRSP, exactly what the Reform Party proposes. We saw it in 1993 and we are seeing now in Ontario how different Liberals are when they are running for election as compared to when they are actually sitting in a Parliament.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I am pleased to rise today in the House to address Bill C–85, amendments to the MPs' pension plan. At the same time, I share a bit of shame in the House, having heard the atrocious remarks of the member for Glengarry—Prescott—Russell.

• (1110)

I address the citizens of Canada. I hope, ladies and gentlemen of the public, you read *Hansard* of today to listen to what the member for Glengarry—Prescott—Russell had to say. In that you will hear a perversion of the facts, where that member deliberately went after the Reform Party to twist things around and indicate that what we were talking about here was aug-

mentation of MPs' salaries rather than the pension plan, which is the thing we are directly addressing.

One should not get emotional. This should be a place where one addresses logic and reason and brings facts out into the open. I find that really the remarks of that member typify what is wrong with the political process in Canada.

We are talking about a pension plan. We believe sincerely that the pension plan given to MPs is simply far too generous. We are speaking on behalf of the Canadian public in that regard. They say it is too generous, it is gold plated, we should cut it back. What the government is doing to respond to the public is simply not good enough, and that is our point.

In any event, the government has finally found the courage to tackle the problem, if insufficiently. I am saddened that the Liberal fat pack has refused to abandon its place at the public trough, which has resulted in what is really a very poor excuse for MP pension reform. There is insufficient reform in that bill.

In their 1991 book, *The Great Reckoning*, authors James Dale Davidson and Lord William Rees–Mogg wrote: "In the past, those societies that have treated persons differently, based upon what they are, rather than what they do, have faltered economically, and opportunity has been foreclosed for almost everyone". This quotation is appropriate to our debate here today, for with the MP pension plan we have a group of 295 men and women who are being treated differently simply because they are members of Parliament. How are they treated differently? Under this revised pension sham, MPs can collect a pension at the age of 55. In the private sector, most people have to wait until they are 65.

Even with lowering the annual accrual rate to 4 per cent, it means that this plan proposed by the government is twice as rich as that of the plan of the average Canadian worker. The MP plan is fully indexed against inflation, which is something that is virtually unheard of in the private sector.

Why does the Liberal government and its gang of present and future trough feeders feel that they have a right to be treated so much better than the average Canadian? While it may be true that this bill will fulfil the red book promise to reform the plan, it is a hollow and purely symbolic reform.

For example, the red book speaks of eliminating double dipping, the practice of collecting an MP pension while earning a government paycheque, usually for a patronage appointment. The government says that their proposal will eliminate double dipping. But if we look closely at the bill we see it simply defers the practice. Pension benefits continue to grow but are deferred for as long as the patronage position lasts.

• (1115)

Once again we see that these amendments are nothing but smoke and mirrors. The Canadian public is incensed at the current obscenely generous gold plated pension plan for MPs. It is equally outraged by these amendments which merely downgrade the gold plated plan to a silver plated one.

The fact that politicians have a bad reputation in Canada is largely due to this type of largesse. The government had the opportunity to address the massive public concern but refused to do so. It blew it. Like most other things the Liberal government has done, it reacted in a half hearted foot dragging way. It has proven once again that if the public wants real reform they had better send in some real Reformers.

As a real Reformer, I oppose this plan. However, I am not here to simply criticize. As a Reformer, I also have an alternative. Last year I asked my constituents about MP pension reform. I asked how long an MP should have to serve before getting a pension and at what age. We asked this question widely in my constituency.

Based on the responses I received I presented my constituents with a proposal to revamp the plan. Support for this proposal was ten to one in favour. Since that time I have been working on the plan on behalf of the people of Nanaimo—Cowichan and I am proud to say that the process is now complete. Yesterday the collective voice of my constituents was heard on this issue in the House when I introduced my private member's bill.

In comparing the government's farcical attempt at pension reform with that proposed by my constituents in Nanaimo—Cowichan we see many glaring discrepancies. For instance, under the Liberal plan taxpayers contribute $3.50 for every dollar put in by the MP. Under the Nanaimo—Cowichan plan, taxpayers contribute nothing since they are already paying the MP's salary. Under the Liberal plan the pension fund is managed by the government, which has a worse fiscal record in management than Jim and Tammy Faye Bakker. Under my constituents' proposal the pension fund will be administered by the private sector.

Under the Liberal plan, taxpayers are on the hook to eligible MPs for life. Under our plan MPs would receive a one time lump sum payment consisting of the money which they contributed plus the interest accumulated, which could be considerable.

Under the Liberal proposal the Liberal fat pack maintains its front row reservation at the public trough while newer MPs will be moved back to the second row, thus creating a two tiered pension plan. Under the Nanaimo—Cowichan plan all MPs are treated equally, as no one is entitled to belly up to the trough.

In comparison with the so–called reform package put forward by the Liberal government there is only a one–time opportunity to opt out of the plan. That means that all future MPs will be forced to swill from the public trough, like it or not. Our proposal allows MPs to opt out of the plan at their discretion.

Liberals, like the hon. Deputy Prime Minister and her fat pack colleagues, say they have worked hard for their gold plated pensions and deserve what they have coming. I trust that the voters are wise enough to see through the smoke and mirrors to discover the hypocrisy and deceit behind the bill so that the Liberal fat packers get what is coming to them.

A true democracy must be based on quality citizens who come forward to serve their country out of a genuine desire to make our society a better place in which to live, not out of a desire to better one's own standard of living.

• (1120)

I do not believe that politics should be a lifelong profession. It should be a momentary detour in one's career path. Unfortunately, the bill to which we are addressing ourselves today promotes the former and does nothing to restore Canadians' faith in their politicians. The citizens of Canada will judge the government of today on this bill.

I urge all members of the House to abandon this frivolous bill, although I know I am not going to get much reaction from across the way. I urge members to take a long, hard look at the proposal put forward on behalf of the constituents of Nanaimo—Cowichan in the bill I introduced yesterday.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is a pleasure to speak to this bill today.

When I listened to the words the government whip had about the Reform Party and this pension plan, it makes me ashamed to be sitting in the House listening to that kind of poor rhetoric from the Liberal government. People in my riding of Fraser Valley West living in Langley, Aldergrove and Abbotsford must be shaking their heads today wondering what is happening in that place where they are supposed to be running this country.

What is happening in this place is a major disappointment. When I was elected I thought I could come to the House and try to change this government and get it off things like this fat pension plan. I thought just maybe we could try the concept of a triple–E Senate where senators would be elected, effective and would have equal representation. I thought we could deal with things like balancing the budget. I thought we could look at trying to reduce the number of frivolous grants that are given out year after year after year. I thought I could effect a change in patronage and ethics and get the government to change.

However, everything I have just mentioned is still happening is still supported by this government, even though it knows it is wrong. The Liberals sat on this side of the House in the last session of Parliament and belittled the Conservatives for it and here the Liberals are still at it.

The Liberals made a promise in a document called the Liberal red book. The Liberal red book actually came out during the election. It was not a long term plan they had. It was an election tool. The promise was to make some changes in this pension plan.

I will go through these changes. Essentially that was a facade. The government has told the Canadian people it is changing things but it is not doing it. They are weak changes. They are not real reforms to the pension plan. It is just a facade to make the folks out there think that something is really happening here. What is really happening out there is that people are overtaxed, frustrated and fed up. It is no wonder from listening to this kind of rhetoric on pension plans.

I could call these Liberals hypocritical for saying one thing and doing another, but I will not. I could call them trough slurping pension planners for making an absolutely abysmal excuse in trying to change a pension plan, but I will not. I could call them overindulging politicians for taking more than what they are worth, but I will not. What I will call these Liberals and this government are plain bad managers.

• (1125)

Organizations in Canada that work in developing pension plans for their employees work within the Income Tax Act, as I have done in developing a pension plan for my employees. I give what is fair and reasonable, usually a dollar for a dollar. That is not what is happening here. Here government members are telling Canadians that they are going to reduce some benefits and save Canadians money while at the same time they milk the system for all it is worth. I think that is disgusting.

Let us think about what the Liberals are developing. They want to establish a future minimum age of 55. I checked the records and the majority of parliamentarians in the House are already 55 years old. What kind of smoke are they putting out here? They want to eliminate double dipping. That is nice. They are saying that when they give the patronage jobs to their friends, they will not give them the $130,000 or $180,000 plus a pension. They will hold the pension back.

What the government does not really say about this is that the pension members earn while they are MPs is still accumulating compound interest. When they get out of the patronage job, the double dipping job they are talking about, they get the MPs pension updated and indexed. They also get all the returns from the patronage position. Talk about being at the trough.

The Liberals have talked about lowering the rate at which the benefits accrue. They currently accrue at 5 per cent. It is 5 per cent of $64,000 for every year of service. They said: "We are going to do something here. We will bring it down to 4 per cent". What Liberal members are not saying is that 4 per cent is still double the rate of private sector pension plans, registered plans under the Income Tax Act. They also do not say that there are special provisions in the Income Tax Act to make way for that.

If we want to reform a pension plan or anything else in the House, we had better start a real reform, not the half baked idea of telling people one thing and doing another. Hypocrites.

They have lowered the rate at which individual members contribute to the plan from 11 per cent to 9 per cent. Very good. Members here will get a 2 per cent return, more cash in their hands. Congratulations. At the same time that is being done, what really happens is the contributions they are giving are really going to cost more to the taxpayer.

Reform Party members will opt out. Now what are they to do? In this pension plan they need all the contributions to make it viable. If we opt out of it they will be short of cash. They have taken 2 per cent of the cash coming in from members so who are they to hit? That is right folks, the Canadian taxpayer. That is who is to pay for it.

They have given us an opportunity to opt out. I am opting out of this plan. I have a family to look after as well and I do not have a job to go to at the end of my parliamentary career. That is just fine with me. That is just fine with my wife and family. We will go back to our riding and we will hold our heads a little higher.

For those people who forced at least some change, the Liberal government is saying: "We will make it very difficult for you when you opt out. You can never get back in". That is fine. I can live with that. "We will give you a 4 per cent return". Well, that is good too.

• (1130)

They are not saying that there is absolutely no hope for anybody opting out of the plan to make a move to get back in. People are entitled to change their minds, but the government has to be very careful about what it is doing. This is not an act to punish. If people want to opt out, let them opt out. The government has a bad management style that will not be forgotten.

Finally let me say that the RRSP limits this year were supposed to be $14,500 for the average Canadian citizen but the government kept it at $13,500. Folks out there get a little less and folks across here get a little more. Is that a great example you set?

The Acting Speaker (Mr. Kilger): Order. Before the hon. member for Fraser Valley West concludes his remarks in the brief period of time left, I recognize there are strongly held views on the issue. It is vigorous debate, but I urge you and remind you that all interventions must be done through the Chair or the Speaker and not directly across the floor.

Mr. White (Fraser Valley West): Mr. Speaker, this is an emotional debate and deservedly so. Many people believe that the this pension plan is gold plated and is too large. I am convinced that some Liberal members probably feel the same way but cannot make change because their party says: "This is the way it is to be".

That is unfortunate but I sincerely hope the next time we go to the polls people remember what happened in the House this year on this issue and in this debate.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, in the last 24 hours I have learned much about why many politicians can talk so much and say so little. I have learned much about why many politicians say so little in failing in their attempt to be all things to all people.

I have also learned why many politicians prefer to say nothing at all, for if a politician says nothing there are no words that can be used against him or her to deflect from the substance of debate.

Yesterday in the House, instead of answering a reasonable question from my Reform colleague from Kootenay East, the President of the Treasury Board decided that the only response required was to refer to comments I made in the House on May 4.

Suddenly the debate is no longer about pensions but about the comments of a member of the House who raised the compensation issue. The issue was raised in my capacity as an individual and not as a matter of Reform Party policy and was so qualified. The issue was raised by other members of the House from other parties during the course of the debate. It was an issue that all speakers recognize was separate from the main issue of debate, that being the pension of parliamentarians.

This is all quite regrettable. It is important to at least reference the issue of our basic compensation since the studies dealing with our pensions do not address them in isolation but rather in the context of the other moneys and benefits we receive.

The issue of our compensation was raised by the President of the Treasury Board when he introduced legislation and stated that they could not wait for the day when we could deal with salary increases as suggested in the Sobeco, Ernst and Young study. They could not afford them then. While the total compensation approach outlined in the study is worthy of further discussion it is not functionally possible at this time, as reported in *Hansard* of May 4.

The position of the President of the Treasury Board is entirely consistent with Reform Party policy. The Liberals campaigned

in 1993 on a general promise of changes to the MP pension plan without specifics being provided.

• (1135)

We campaigned in 1993 with specifics provided on how we would change MP pension. As well we provided specifics on why the compensation of MPs must continue to be frozen. We said explicitly that until a balanced budget was achieved the salaries and expenses of government MPs and their offices would be frozen. Our position has not changed.

I was not the only member raising compensation issues in the House during the course of debate on pensions. The Liberal member for Wellington—Grey—Dufferin—Simcoe was quite explicit. In *Hansard* of May 4 he stated:

> We cannot give ourselves a raise when we are telling everyone else to hold the line.

Referring to the Ernst Young report he stated:

> However the report recommended an increase in pay for members of Parliament. I would be more than happy, if that happened, to see the pensions done away with and work within an RRSP program.

This was a Liberal member speaking and another Reform suggestion. Another Liberal copies Reform award might be due to the hon. member. He expressed sentiments not unlike those expressed by Reform members for many years. I agree with him as I agree with the President of the Treasury Board that the issue of MPs salaries is a matter to be addressed at some later time. In this respect we have all perhaps clouded the issue of the merits or demerits of the current pension plan proposals by raising salary issues at the same time.

To the extent that I have clouded issues by raising such issues I must express regret. However, I believe it regrettable the President of the Treasury Board would use my comments to avoid addressing issues of substance in the pension debate, one of the most important debates in the current Parliament.

To paraphrase a recent hit by the reunited "Eagles", a band with which the hon. Liberal House leader is certainly familiar if not the President of the Treasury Board, I respectfully ask the President of the Treasury Board to get over it, to quit playing his petty partisan politics, to get on with the debate of MP pensions, and to let us get on to the substance of the issues with respect to our pension plan.

The Liberals think they have us. They think we will not talk about it any more because of what I suggested in debate in the House over a week ago. We will not run away from the issue. We will address it.

For the Liberals who are present and listening to the debate, the Canadian public is totally fed up with self–serving MPs giving themselves a fat cat, gold plated, three tier trough regular for the old folks, the old veterans; trough light for the class of 1988 and onward and the ones from 1993; and trough stout for cabinet ministers who can contribute anything they want down the road. A pension plan like that for life is ridiculous.

Why will the President of the Treasury Board not introduce some ideas about a matching contribution plan, a one for one? For every dollar wonderful deserving MPs put into a pension plan the government matches by a dollar. Why does the government not do that? It cannot do that because it has to be better. The Liberals think they are a better class of citizen now they are elected, that they deserve three and a half times, and that they deserved a six to one plan before that.

There is no question the President of the Treasury Board is touting a proposal on the basis of sophistry just like the Minister of Finance, using clever but misleading arguments to lead to a false and wrong conclusion. The Canadian public is fed up with the lack of courage the Liberal government is showing and the lack of integrity when it promised integrity in the red book. How does it show integrity for the Liberals to talk about a proposal of another member and call it a salary increase when all we are talking about is looking at the pension plan which is too generous.

The number one objective of my Reform colleagues in the House and I is to kill the Cadillac pension plan. The government is not interested in it. The Liberals think they deserve more. They think they desperately have to save Sheila, the Deputy Prime Minister, so that she could get if she were to leave next month $2.7 million. They have to protect Mr. Boudria, the man who worked—

The Acting Speaker (Mr. Kilger): Order. I am quite prepared to understand that in the enthusiasm of debate one member's name might slip but when another is used it becomes a little suspicious. I caution members to refer to one another by riding or by ministerial portfolio.

Mr. Silye: Mr. Speaker, as I said our objective is to kill the MP pension plan because it is too generous, too extravagant.

Mr. Hermanson: It is illegal.

Mr. Silye: It is illegal in the private sector as well. The Liberals want to protect $2.7 million for the Deputy Prime Minister and $2.2 million for the chief government whip. These are the millionaires, including the Minister for Human Resources Development. The minister of public works will get $3 million; the minister of immigration, $3 million; and the member for Broadview—Greenwood, $1 million. He has a good proposal for tax reform but the government is more interested in its self–serving MP pension plan than it is in tax reform. It will not even give him the time of day.

• (1140)

We are against the pension plan for a simple reason. It raises a double standard. Why do we as MPs now deserve more and better than what is out there in the private sector? Would the President of the Treasury Board tell me that? If the Canadian public wants MPs to have a pension plan, why not one that is the same as the private sector dollar for dollar? Why can MPs contribute 9 per cent while in the private sector it is 5 per cent? Why not 5 per cent and 5 per cent? Why a full pension at age 55 when in the private sector 65 years of age qualifies and if the pension is taken before that age the person receives less?

It is just common sense and it will not apply to the House. The Liberals will not accept it. All I can say is that I do not understand the mentality of the 100–plus Liberal rookies who are here. Veteran politicians are laughing all the way to the bank because they received their six to one. It was backdated to 1988 to make sure the member for Beaver River had the option to opt out. We have the option to opt out. In 1997, if there is an election, the new Reformers who come here will not have the option to opt out. That is hypocritical. That is something the Canadian public will not forget. I am frustrated to no end. When these people were in opposition they indicated that the Conservative government lacked integrity and lacked morals.

I am really starting to wonder if the government is interested in the best interests of the Canadian public. It has an opportunity like the Reform Party to opt out of the Cadillac pension plan. The rookies have an opportunity to stuff it in the faces of the veterans and say: "No, you are not going to catch us". If they do not opt out, I am very confident the Canadian public will vote them out. I think that is what will happen.

In summary, these people were elected to restore integrity as promised in the red book. By trying to rush debate on the issue through the House without allowing time for proper debate and without allowing the hon. member for Calgary West to speak first today, they are trying to deny an opportunity to allow us to detail fully what they are trying to foist and hoist upon the Canadian taxpayer.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, it is a pleasure to address this bizarre piece of legislation, Bill C–85. I want to paint a bit of a picture for people.

If someone told an ordinary Canadian citizen that he had a great business proposition, that for every dollar put into an investment he would get back $3.50, he would say that it was amazing and great. He would want to do it. Not only that. It would be guaranteed by the Government of Canada. We are not talking about 10 per cent, 8 per cent or 5 per cent on a Canada savings bond. We are talking about a 350 per cent return on investment.

The only problem is that it is not available to the average Canadian citizen. It is only available to members of Parliament. It is disgusting. It is the height of hypocrisy. My hon. friend from Macleod said: "They were not hypocrites but hypo–grits when they proposed this".

Some hon. members: Oh, oh.

Mr. Solberg: I thought it was a very good line. I give accolades to the member for Macleod.

Apart from the puns, Bill C–85 has a very serious side. That is what concerns me. Bill C–85 is way out of step on several counts. I want to talk about those for a moment and the faulty premise on which this bill is built.

• (1145)

Two years ago when I was knocking on doors in my constituency, in Brooks, Taber and Medicine Hat—and Medicine Hat in particular because it is a retirement town—one of the topics which people talked about was that they were sick and tired of the MP pension plan.

They did not say: "We are sick of the aspect which says that taxpayers kick in $6 and MPs kick in one". They said: "We are sick of the double standard". They did not say that they wanted 3.5 times instead of 6 times what MPs kick in. They said: "We expect a pension plan like anybody else's, where if the employee puts in a dollar maybe the employer will contribute a dollar, but nothing richer than that".

I took that to heart. Members of the Reform Party took it to heart. However, the government has completely ignored it. It has come up with another form of padding its members' pockets at the expense of taxpayers. It is crazy. This bill is completely out to lunch when it comes to respecting the wishes of the taxpayers. We are here to serve the taxpayers, not to serve ourselves.

The hon. member for Kingston and the Islands is sitting over there scrambling to defend his trip to the trough. He is completely out of step with what Canadians are saying.

Another thing that Canadians mentioned to us is the huge debt. The debt at that time was $480 billion. It has now rocketed up to $550 billion. Surely members have some sympathy for the long–suffering taxpayer when they are considering the remuneration which they give themselves. However, no empathy was shown when the government proposed Bill C–85. It is another trip to the trough. It is a minor improvement over what the previous government gave to its members, but it is so far out of step that it defies logic. It defies description.

Medicine Hat to a large extent is a retirement town. In many cases its people exist on pensions. They find this debate absolutely unbelievable. The government will be talking this fall when the finance ministers convene about how to change the CPP to make it actuarially sound. The OECD says that the

retirement age will have to be pushed to age 79 to make it actuarially sound.

However, the government is proposing that we have pensions which are fully payable at age 55 with contributions from the taxpayer which are three and a half times what MPs have to put in. People find that absolutely unbelievable. I defy members across the way to come to my communities of Medicine Hat, Brooks, Taber, Bow Island, Tilley and all the other communities and justify this outrageous pension plan.

One subject which I wish to address is the whole idea of MPs' remuneration. It is well past the time when MPs should be allowed to set their own remuneration package. This bill does not deal with that. It completely ignores that. MPs and elected officials in other jurisdictions are about the only people in the country who are allowed to set their own wages and remuneration packages.

The president of General Motors or a teacher or a business person who owns a business cannot set his or her own wage. Business people are accountable to customers. They have to pay their suppliers. They can draw a wage based on all of that, but at the end of the day they have to depend on their customers and their employees before they can decide what kind of remuneration package they can have.

According to the government, MPs are above that. Bill C–85 makes no mention of it. It suggests that MPs should have a remuneration package which is based simply on the whims and caprices of the government. It has nothing to do with reality. It is an argument entirely in the abstract. The government has no perspective at all when it talks about the remuneration package or at least the member of Parliament pension plan. It is crazy.

• (1150)

One of the things that MPs are supposed to do is to talk to their constituents on a regular basis so they can find out where their constituents stand on these types of issues. It is a fundamental responsibility of a member of Parliament. However, none of that has been done when it comes to Bill C–85.

Instead, the government has decided to eschew the opinions of the public. It has said it does not want to hear from the public on this. It does not want to find out what the public thinks. What it wants to do is set up its own pension plan that is far richer than anything that is available in the private sector. If Canadians do not like it, that is tough luck because that is what the government will do.

When we knock on doors people are so cynical about politicians they will not listen to the first word we say about serious issues. All they believe we are doing is padding our own nest. I cannot argue against that. How can we argue against what the public is saying when it is absolutely true?

It is a well established tradition in this place and the government has done nothing to improve on it despite all of its promises in the red book. It has failed to restore integrity which is important and critical so people will respect and ultimately have faith in their government. This is a necessary step so that people will willing bring forward ideas for the important debates that need to occur so that the government enjoys the faith of the people. It is a very important aspect that the government has, I guess, intentionally ignored. It has pushed ahead with Bill C–85 and is actually now trying to invoke its own form of closure by not allowing a free and full debate.

The Reform Party has all kinds of concerns with this legislation. I want to touch on a fairly technical but still important part of it. The government has really tried, in my judgment, to deceive people by saying it is going to cut the contribution level down from 11 per cent to 9 per cent.

However, as my hon. friend from Fraser Valley West pointed out, there will not be enough money coming in. Reform MPs are opting out. I want to make it very clear that Reform MPs are opting out of this heinous plan. However, because of that the government is going to end up having to draw on more taxpayer dollars to make this thing fly. That is crazy.

The government has failed to consult with the people. It is padding its own pockets, padding its own nest, looking after itself and refusing to go to the people on an issue that is very important to them. It is an issue of integrity.

Mr. Hermanson: Mr. Speaker, I rise on a point of order. This is a rather important debate and I do not believe we have a quorum. I only see four Liberals in the House for this important debate. It is rather disappointing.

The Acting Speaker (Mr. Kilger): Resuming debate. The hon. member for Cariboo—Chilcotin.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the roots of this Chamber stem back to its namesake in London, Britain's own House of Commons. Those words "House of Commons" refer to the purpose of this institution; to represent the commons or the commoners within government.

We carry on that tradition today by representing grassroots Canadians from all walks of life. Or do we? It is a question each of us should ask before engaging in this debate over MPs' pensions. Are we representing the same Canadians who elected us to this Chamber?

Two years ago Canadians clearly demanded change. After the 1993 election the once Progressive Conservatives were pushed to the backbenches of Canadian history and these Chambers greeted two new parties. The party that I am proud to be a member of, the Reform Party of Canada, promised to think, work and act differently. We started by putting our policies on paper. First in the blue book and then economizing by putting

this on the blue sheet long before the Liberals came out with their own red ink book.

• (1155)

We promised to truly fulfil our role as representatives of the people, going against our own party's official positions if necessary to represent our local electorate. In contrast, Canadians have seen how the Liberals handle MPs who strive to represent their own constituents. They are tossed from committees and bombarded with veiled threats from their leader. May I add, the Canadians I have spoken to have been appalled by these actions. They do not want to be ruled by Parliament. They want to be heard by Parliament.

Reform has also promised to fight for real change in such areas as government waste, deficits and debt and the MPs pensions. Over the past year I have stood in the House on three separate occasions demanding change in the MP pension plan. Or as I have come to call it, the MP pension scam. When one compares the private sector pension plans with the MPs pension scam as I have, it is obvious change is needed.

Under current tax laws, contributions to a pension plan cannot exceed 20 per cent of a salary, that is for the average Canadian. According to the accounting company KPMG Chartered Accountants, most private sector corporations spend the equivalent of between 13 per cent and 18 per cent of their payroll on pension plans. Some are far below these levels.

For example, one of Canada's largest telecommunications companies is at a mere 10 per cent of their payroll. Yet government after government has allowed MPs and Senators to skate around these rules, exempting themselves to a level equal to 63 per cent of the payroll equivalent. This means that if the plan was fully subsidized by MP pay cheques, over two–thirds of our income would go into supporting the MP pension plan. Even under the new proposals, pensions would be at 57 per cent of payroll, well over half. This kind of extravagance only leads to contempt among grassroots Canadians.

Many of my constituents have spoken out against this sort of waste. The language has not been positive. It is has been downright unparliamentary. Let me take a moment to quote from a few letters and comments I have received.

One constituent writes: "The government has been asking we taxpayers to tighten our belt as we struggle to live on less as they take in more taxes. It is time for them to set the example in restraint. Don't just talk about it, do it". Is spending seven million tax dollars a year on the new pension scam restraint? Is it responsible spending in the eyes of average Canadians? Think about it.

Another quote: "I think I can speak for most Canadians. We are sick of government waste, especially government pensions and benefits. It is a total extravagance on the government's part. I am 29 years old, my husband is 33, we have three small children. My husband works 12 hours a day, six days a week. We are sick and tired of the amount of income tax he pays".

An hon. member recently spoke at length on how MPs work: "Twenty–four hours a day, sometimes seven days a week". Therefore, MPs deserve this kind of pension. How can we justify taking tax dollars for this sort of luxury pension when many of our fellow Canadians are barely getting by with no security for their future.

There are many more letters I could quote from. In one of my 1994 householders, over one in four respondents spontaneously singled out on their own the MP pension plan when asked where cuts could be made to put our country's financial house in order. That was one in four without prompting.

This plan has become a lightning rod for all that is wrong with government and drastic change is needed. Sadly, the change demanded is one thing the Liberals have left out of the bill.

• (1200)

What surprises me most about this new plan is how little has changed between it and the old plan. I received a question and answer pamphlet from the President of the Treasury Board, as did evey member of this House, and I was shocked at some of the responses to the questions asked. Let me quote some. "Will members still need six years of service to qualify for a pension?" The answer: "Yes. No changes are being made in this regard". "Will the maximum pension still be 75 per cent of a member's best years' sessional indemnity?" The answer: "Yes, but now it will take members of the House of Commons longer to earn their maximum pension". "Will the new pensionable age affect retired members?" Answer: "No." In all, it was lots of talk but not much walk.

There is one change, however, the one time opting out clause. By putting this clause in, members now have a choice: either accept an outrageous unacceptable pension or none at all. In my view, this is a blatantly political move designed to make the government look like it is acting when in reality not much has changed. In fact, after the next election every new MP will have to take the new and improved so–called MP pension scam whether they like it or not.

The Reform caucus, myself included, view these proposals as completely unacceptable, and if they remain as they are it is the intention of the Reform Party of Canada to opt out.

It is sad to see so few members on the government and Bloc sides honouring these same principles. This is not an issue of the pocketbook; this is an issue of the heart. This pension issue

points to how we perceive Canada. Is this a country where we express our ideals of hope and prosperity, how our country will be now and for our children and grandchildren, or do we just grab as much for ourselves as we can while the opportunity is here?

None of us in the House of Commons came to Ottawa for the benefits or for the pay. We came to serve our fellow constituents and bring about the kinds of changes needed.

As long as we draw a paycheque from the Commons or travel on an MP's allowance, we are living off the backs of the taxpayers of Canada. Let me repeat that: we are living off the backs of the taxpayers of Canada.

Canadians are not saying that MPs do not deserve a salary or that we do not deserve a pension. All they ask is that the salaries we earn and the pensions we collect be in line with what is in the private sector, what they might reasonably expect for themselves. This is a call the Liberals have ignored, to their shame.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I want to say a few words about the quality of people who come to this place and the quality of people they represent.

How can the public respect MPs when MPs do not respect each other? If there is anything that has come up in this debate in the House, it is the haranguing across this floor about MPs and their qualities, as if they are a bunch of petty thieves.

There have been a lot of good people come into this House. Let me tell members that those who are speaking today with great purity are not necessarily in that category.

Some hon. members: Oh, oh.

Mr. Hopkins: The Reform Party remarks in the House are downgrading public life.

Mr. Hermanson: Mr. Speaker, on a point of order, I hope I did not hear what I thought I heard. I thought I heard the hon. member make some remark about thieves and then try to apply it to members on this side of the House who had spoken. If that is the case, I would ask that the member retract those comments. They are absolutely insane and untrue.

Mr. Milliken: Mr. Speaker, on the same point of order, I think the hon. member for Kindersley—Lloydminster ought to be careful after some of the comments we have heard from some of his colleagues this morning about pigs to the trough and so on.

The Acting Speaker (Mr. Kilger): Order. I will take the time to review the blues, to look at the wording and the context of the wording. If necessary, I will come back to the House.

I have been listening and will continue to listen attentively to this debate, which is a very vigorous debate. There is a great deal of emotion and some strong views.

• (1205)

Mr. Hopkins: Mr. Speaker, I thank you for that and I thank the parliamentary secretary also for his remarks. If the hon. member who raised the question had been listening as carefully as you had been, he would not have had any need to get up to his feet. What I said was that they were talking about MPs in this House as if they were petty thieves. I never applied it to anyone.

I am only repeating your own words. If you are ashamed of them—

The Acting Speaker (Mr. Kilger): Order. Given the nature and the strong views of the debate, I continue to intervene for members on both sides of the House to please direct all comments through the Chair.

Mr. Hopkins: Mr. Speaker, you are absolutely correct.

The hon. member for Calgary Centre made reference to the chief government whip and called him by name, of course out of order, and also made reference to the Deputy Prime Minister of Canada and talked about the money they would be making. How do you know how much money they would be making on their pensions, Mr. Speaker? When it comes down to this, I will guarantee you that the hon. member for Glengarry—Prescott—Russell and the Deputy Prime Minister of Canada are going to be in this House long after the member who uttered that statement is gone and forgotten, and they will still be serving Canada.

The hon. member was using projected figures, just like the citizens' coalition uses projected figures. It is using inflation rates, and it does not know what the inflation rates will be in the years to come. The same old story that we have heard for years is coming out here

Where is the decency in all these things? Where is the decency from across the way? You do not come to this place, Mr. Speaker, just to get a pension. You come to this place because you want to serve your country. This whole issue is being used as political opportunism.

I got a letter the other day asking me to tell these people in the Reform Party to get on with the major problems of the country instead of always downgrading the public life of this country. They do not know what they are here for.

Most members who come here are very sincere. Hon. members, as I said, do not go into politics to get a pension. If I wanted to get a pension I would have stayed out of politics. The profession I was in would have paid far more than I will get here. I came into this Parliament because I felt I had something to offer. I still think I have something to offer.

If there is anything I can do to settle this big quarrel about downgrading public life in Canada, I think it is here that we should show the public that there is something more to politics in this country than hammering one another, being vindictive to one another. We should practise some decency on the floor of this House with each other. People come here to do something useful.

It reminds me of the biblical story about the two people who go into the temple to pray. One stands there as a sinner and he says "Forgive me, Lord, for the way I have sinned". Then over here you have the publican who was beating his chest and saying "Thank God I am not like one of those". That is the mentality and that is the attitude we are hearing from the Reform Party today, saying "Thank God we are not like one of those".

Mr. Hermanson: You have it the wrong way around. You do not even have your scriptures right.

Mr. Hopkins: I have here a good example of the decency. This shouting is part of the new conduct they brought to the House of Commons. They are sitting over there today screaming and shouting at me. Obviously some of these words are getting through to them. When they came to Parliament they were going to bring decency to this House of Commons.

I hope the microphones are sensitive enough to tell the Canadian people how these Reform Party members are shouting and screaming and disrupting the proceedings of the House. That is their new contribution to the decency of this House of Commons.

• (1210)

The hon. member for North Vancouver wrote a letter to *The Hill Times* a while ago, saying "What planet has Hopkins been living on?" I know what planet I have been living on. I know where the hon. member for North Vancouver came from, and I also have a good idea of where he is going in the life hereafter.

Some hon. members: Oh, oh.

Mr. Hopkins: I have them going again.

One of my constituents sent me a day's pay and I felt obligated to match that when I gave it to the Minister of Finance for Canada. I thanked my constituent for that, but the hon. member for North Vancouver wrote a letter saying "What planet has Hopkins been living on?" As I said, I know what planet I am living on, and I appreciate it very much.

He said that he has donated 10 per cent of his salary toward the deficit. Imagine that. Does he think this is something brand new? In come the Reformers and they are going to donate 10 per cent of their salary. I can say without any lack of confidence that I have given 10 per cent of my salary since day one to various organizations, to good organizations, for the good of people who are in need. But I am not the publican in the temple who goes out on the street corner to say "I did this, and thank God I am not like one of those". I do it in my own quiet way and I do it in a dignified way.

I say to Reform members that if they came here to add some decency to Parliament, they might change their attitudes a bit and get away from this. They are not the only ones who ever thought of doing anything for mankind. My goodness, Mr. Speaker, I know that you do a lot for your constituents.

The quality of people who come into the House of Commons is very high. Those people are here to do something useful and they want to do something useful. However, when a debate such as this is held and the Reform members come into the House saying that they are going to set a new tone for Parliament, they are not; they are setting a worse tone for Parliament. Beyond that, they are giving the people of Canada no reason whatsoever to believe that there is decency in the House. They are giving the people of Canada no confidence that the Parliament of Canada is working as it should, on their behalf.

Let us get on with the real issues of the nation and let us practise a little decency on the floor of the House. Only by doing that will people realize that there is some decorum in this place. The Reform Party has brought anything but decorum to the House of Commons.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I have a difficult act to follow.

One thought that occurred to me is that perhaps the hon. member should consult with the minister of Indian affairs, who has an inside track to a bishop. He often quotes letters from the bishop. Maybe the hon. member could get clarification on some of the scriptures.

It is with some remorse that I stand to debate this issue today. That is because I represent the point of view of ordinary Canadians who are fed up with the type of thing that has been happening with the MPs' pension plan for the last number of years. I regret this, because I have a lot of respect for members of the House. I believe that all of us, when we decided to run for election, did so with high motivation and because we wanted to serve our country.

I have never been involved politically before. I was an ordinary Canadian who dutifully voted, but I had never belonged to a political party and I had never participated in an election process. It was all new to me. One of the reasons I joined the Reform Party, and there were many of them, was because of the fact that it was promising integrity in government. It was promising integrity, openness, and accountability.

• (1215)

That appealed to me. When I joined I sent a donation never contemplating I would ever run for this office; that came later. I was attracted to the party because it believes governments should live within their means just like all other businesses and all other Canadians. Reformers said back in 1988 in a brochure that they believe MPs should be representing their constituents,

not to be told here how to vote but to represent and to reflect the wishes and aspirations of those who elected them.

I was also attracted because they indicated a member of Parliament should represent and promote the well–being of the country and the constituents, not his or her own well–being. When I came here and found the pension plan available to members of Parliament—

Mr. Hermanson: Mr. Speaker, I rise on a point of order. There were a large number of Reformers who listened to what the hon. member on the other side of the House had to say. Now when a Reformer is speaking we only see three Liberals in the House. There are only three members who will listen to this speech—

The Acting Speaker (Mr. Kilger): Before I take up the matter of quorum I want to remind colleagues that conventions are that reference to the absence of members from either side of the House is something we refrain from.

Call in the members.

And the bells having rung:

The Acting Speaker (Mr. Kilger): I see a quorum. The hon. member for Elk Island.

Mr. Epp: Mr. Speaker, I appreciate your encouraging the people to hear my words because I do speak them sincerely and hope they fall on sympathetic and understanding ears.

When I came here I was very sad to see the MP pension plan, knowing also the public perception of it as being excessive. There were many different terms used to describe it. The words obscene and excessive are often used. Being a mathematician I did some work on the MP pension plan from a mathematical, actuarial point of view. It was with great regret.

I am a family man with a wife and children. I am getting old; not very old, I am still young and energetic in thought. I am approaching that age when I need to think seriously of my pension. My wife was always a full time mom and so we have always lived on my income. The pension plan I had where I worked before accrued at the rate of 2 per cent per year. In terms of a possible pension benefit that means when I reach the age of 65 my deferred pension from my previous institute will give me 54 per cent of my best years in that place, which means I will get a pension of approximately $30,000 per year.

• (1220)

So there is no question as to whether I am double dipping, I am not now receiving a pension. I will be receiving it as a deferred pension when I reach age 65. Those are the rules. Had I not come here I would have reached my full pensionable age at 61 and I would have had 70 per cent by then.

However, having left my other employment I no longer am able to accrue pension benefits there. I came here and realized immediately I could not with integrity face the electors who elected me and participate in this pension plan.

At the time of our election in the fall of 1993 when I went to do all of the book work and fill in all the forms that we had to do as new employees of the House, I asked if I could opt out of the pension plan. I was told by a very kind person I could not because it was controlled by legislation and until the law was changed I had no choice.

Therefore, against my wishes I was registered into the MPs pension plan. I was being forced to pay into the plan approximately $590 per month. I do not object to paying $590 per month as long as I receive a fair pension on retirement, but there is a real problem with that pension plan because not only do I put in $590 a month but presumably the employers, in our case the taxpayers of Canada almost directly, are matching it.

What is wrong is this pension plan permits me as a member of Parliament to accrue pension benefits at a rate not available to other Canadians. The Income Tax Act does not permit the rate of accrual even if the person is willing to make those payments into a registered pension plan at that rate.

However, and this is critical, in the Income Tax Act self–employed persons have higher limits for RRSPs. If we as members of Parliament were able to get out of the MP pension plan and put our investment into an RRSP like other Canadians with the same rules and limits we would be able to provide for ourselves a pension which would surely be adequate.

I have observed most people who serve in the House do so at mid–age as opposed to an early age. There are some young members here and I commend them for their early entry into the parliamentary process. Most already have RRSPs or other pension plans started. They will not be dependent totally on their earnings from the House of Commons.

It seemed to me very unfortunate the pension plan here was inadequate because I would like to have finished my pensionable years either by staying at my other place of employment or by being able to do a comparable program here so that the two of them tied together would give me a reasonable pension and look after my needs as I enter those years of non–productive work, although for me hopefully that will be many years hence. That was not available. Hence we began to call strongly for the ability to opt out of the plan.

I want to address primarily and specifically that aspect of the plan. I do not know what words to use because I do not want to be unkind. I saw the proposal in Bill C–85 on the retirement allowances act for members of Parliament a one time provision which states that after it is brought into force all members will

have 60 days in which to indicate their willingness to continue in the plan, which is simply a spin on allowing opting out.

• (1225)

I thought this was particularly politically vindictive. There are people on this side the House elected by the electors who have as much respect for them as every Liberal elected to the House. I promise that. Those people are now being told: "You do not have the same rights and benefits as others. We will give you back your money and you will have to pay taxes on it". They are basically saying those of us who want to stand on principle will pay a very high price.

I am not backing down. I am doing this on a matter of principle. Frankly, my Reform colleagues and I are taking a tremendous economic hit on this. We are doing it on principle because it is right. We understand we will receive a little interest. Meanwhile members not opting out are telling the public their service here, as far as the pension portion is concerned, is worth two and half times as much or more.

When we calculate this we find if we were to make even reasonable assumptions on interest rates and inflation it would require an additional deposit of about $2,500 per month per member in order to provide the kind of pension these people are asking for. Clearly it is a vindictive, very malicious attack on those who want to stand on principle. I object strongly.

The rules of the House should apply equally to everyone. The fault of the government is that it divides people by saying some are in this class, some are in that class and some are in another class. Consequently there is an increasing amount of rancour and bitterness which could be avoided if we were fair with each other.

I am sorry my time has expired. I would like to speak for another half hour given permission. Should I ask for unanimous consent?

The Acting Speaker (Mr. Kilger): Is there unanimous consent?

Some hon. members: No.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I will keep my remarks short. I echo the concern expressed by my colleague for Renfrew—Nipissing—Pembroke.

What concerns me most about the debate is it is denigrating all of us as members of Parliament. As did the member for Elk Island, I ran to become an MP because I wished to serve my country. I had idealism and a feeling I could contribute. The question of remuneration, be it salary or pensions, was not in my mind.

However, my colleagues opposite may be interested to know I have no pension whatsoever at this time. I would have to get re–elected to qualify for any pension.

I want to place the debate where I think it belongs. A letter was sent to me by a 16–year old from my riding. She comments on the debate and feels obviously MPs are basically cheating the system. They were all at the trough, to use the expression of the member for Medicine Hat, with respect to MPs like me.

I resent that because it is an inflammatory remark and gives the impression we are not qualified members of Parliament, that we are not dedicated to helping fellow Canadians. I will read a paragraph because this is where the debate really belongs. It reads:

> I have five other sisters and a brother and my dad has no job. About three years ago he lost it. He worked at the company for 22 years and now my mom babysits an extra five kids to help pay for the groceries. My dad has written thousands of resumes and has done about four different jobs but nothing has really stuck.

• (1230)

The issue raised by that child should be the topic of debate today. This is what we should be talking about, not denigrating politicians, not denigrating members of Parliament. Members of Parliament should all be trying to help—

Mr. Hermanson: Mr. Speaker, I rise on a point of order. Both you and I can see who is not here so I will not mention them but we are again short of a quorum.

The Acting Speaker (Mr. Kilger): A quorum is present.

Mr. Bryden: Mr. Speaker, members of Parliament in the House of Commons should be concentrating on helping Canadians like this child whose parents are in need rather then engaging in an acrimonious debate that as far as I can see from my colleagues opposite is basically an attempt to gain publicity.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the issue we are trying to discuss today is important to Canadians. As was mentioned earlier by one of my colleagues, it is one of the top three or four items listed on correspondence I receive from my constituents about abuses of taxpayers trust, abuses of taxpayers hard earned tax dollars. They want to see the issue discussed and MP pensions properly fixed.

It is extremely disappointing that on the government side there is no one speaking out in favour of the legislation, talking about how proud they are of the legislation, talking about the details of the legislation and hoping to convince Canadians that the legislative idea has any merit whatsoever.

If they were proud of the legislation, if they would go on the public record and be counted, I could perhaps believe that they actually meant what they were talking about. I do not see that.

Reformer after Reformer gets up and speaks. On the government side there are a few words about not talking about it. Other than that they just want to plough ahead. If they made these comments at a public town hall meeting in my riding supporting the MP pension plan, it would be better to have a car running and parked behind the stage. By the time they finished the speech the tomatoes would start flying and they would be on the run. This nonsense from the government side would never sell in Fraser Valley East.

There are many symbols we are proud of in Canada. We are proud of our hockey teams. We are proud of our flag. We had reference to the 30th anniversary of our flag recently. We are even kind of proud of our winters in the great Canadian north. We are proud of our peacekeepers. We like the Calgary Stampede. These are positive symbols that Canadians like to rally around.

However, the MP pension plan is also a symbol. It symbolizes waste. It symbolizes why Canadian taxpayers do not trust the politicians they put in charge of the public purse. It is symbolic. It symbolizes political arrogance that has been inbred after years and years of trying to pull the wool over their eyes. They think the symbolism of public distrust is somehow okay. It is not okay. Canadians in my riding have no stomach for half baked change. I will not call it reform. It is an abuse to call it reform.

• (1235)

I sent out a questionnaire in my riding and I would like to give some of the results in case members wonder how much support there is for the MP pension plan. Most Canadians feel an MP pension plan is all right. Eighty–five per cent of the people said that there should be an MP pension plan. They do not have a problem with that. That does not surprise me. Canadians are generous and understand there should be a reasonable pension plan.

However, listen to the kind of pension plan they consider reasonable. In my riding the constituents said that the member should be at least 58 years old and have worked at least 15 years and that the pension should not be indexed. That is the minimum requirement they expect of members of Parliament.

What does the half baked change call for? Members still get a fully indexed pension after six years of service. They can still get 75 per cent of their best earning years. It is still a gold plated, feed at the trough pension plan. If I voted in favour of it I would be ashamed to go home.

There are no speakers on the other side but I cannot believe the verbal nonsense they utter. I would love to be invited to any Liberal riding in Canada to debate the issue. I will make the trek from this place or my place back home to their ridings to debate the MP pension plan on the public stage. They would be ashamed to issue the same type of guttural nonsense we hear from that side in a public forum.

Here there is no public to throw tomatoes at them. Here they are not answering directly to the voters. That is why they are not saying anything. They are not on the public record. They are just letting it slide by. They hope we will be quiet so that they can slip it through like other pieces of nonsense the Liberals have brought forward.

There are things other than this wasteful MP pension plan that are starting to become symbolic of liberalism. One is the idea that they can jump across a huge chasm in two short leaps. It is what they did on the budget. They recognized there was a problem. They realized that we had to balance the budget. What did they do? Instead of taking the aggressive moves necessary to get us across the chasm, to give us a game plan to span that chasm, they said they would jump halfway across and as soon as they started to come down they would try to figure out how to make the next jump to get the rest of the way. It is symbolic of liberalism. It is a half baked, half hearted attempt.

The MP pension plan is probably the most visible and most disgusting item. They make a small change, hoping that people will consider it to be a real change. They may even pawn it off as a reform, which of course it is not, and hope they can cross the chasm of MP pension reform in two jumps. They cannot cross a chasm in two jumps. They either mean it or they do not. When they start to make the jump they had better have in mind whether or not they mean it.

Time and again I have said there is nothing wrong with an MP pension plan. People just want a reasonable plan. They want an MP pension plan matching dollar for dollar, one to one, just like hundreds of thousands of other pension plans where the employer matches one to one. It should not be three or four to one. It should not be a special deal for members of Parliament. It should be the same deal as everyone else gets.

The other day we found out that the mileage members of Parliament can claim on their cars is higher than anyone else in the private sector can claim or higher than any other government employee can claim. Members of Parliament have a special mileage rate.

I do not mind submitting expenses. By all means it is legitimate. I put in my expense form for my mileage, crossed out the new rate and put down the old rate. Until Canadian people can charge that much I am not going to accept it. However it came back stating that I could not do that, that I had to accept the new rate.

What are they thinking about? Why would we have one set of rules for parliamentarians and another set of rules for ordinary Canadians? That duplicity, that double standard, has lowered Canadians' trust in politicians.

• (1240)

It is not what we are saying in the Reform Party. We are merely illustrating, highlighting or echoing the concerns of people in our constituencies. We are merely pointing them out. We are just taking the highlighting pen and showing Canadians what the Liberals are doing in case they are interested, and they are. That is all we are doing. We are not writing this garbage legislation. We did not come up with this kind of half hearted proposal. We have come up with an alternative.

The member for Beaver River stands to say that she will opt out of the program. It is going to cost her $1.5 million. If I wore a hat, my hat would be off. I respect someone who stands on principles instead of diving into a sea of gravy and keeping afloat. I respect the principles she espouses.

I issue one more challenge. I will argue the issue with the Liberals anywhere they want. I will not be taken up on it. I guess it is a cheap thing to promise. In any event I promise I will do it if they would like to debate it.

I also issue a challenge to the Bloc. All Reform Party members are going to opt out of the pension plan because we stand on principle and do not swim in gravy. We are going to opt out. The Bloc members want to opt out of Canada. My next challenge is that I would expect every one of the 53 Bloc members of Parliament to opt out of the MP pension plan because they do not want to be part of Canada anyway. That is the second challenge.

First, I will debate anyone over on the other side who wants to debate. It is not going to happen but I sure would love to do it. Second is an announcement that all MPs from the Reform Party will opt out because we stand on principle. Last, I expect every member of the Bloc Quebecois to opt out. I would love to see it written in the papers. I would like it to happen as soon as possible to see if there are any principles over there or whether it is another chance to grab the gravy train.

Mr. Hermanson: I rise on a point of order, Mr. Speaker. I do not believe there is a quorum.

And the bells having rung:

The Acting Speaker (Mr. Kilger): Order. A quorum is present.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I am pleased to rise today to say a few words about this bill. I would like to start by making some comments.

[*English*]

I am really disappointed that colleagues from the Reform Party, knowing full well that my colleagues are having lunch, would stoop to silly procedural wrangling to embarrass us. On a percentage basis they are much less represented than we are.

Mr. Milliken: There are only three out of fifty–three here.

Mr. Duhamel: I see. I am surprised as well that the Reform Party did not spend any time talking about what the government had promised and what the government had done. The government had promised in the red book during the election campaign, and it has honoured the promise, to raise the age of eligibility. It promised to remove double dipping and it did so. It went beyond that. What else did it do? It reduced government contributions by 33.3 per cent. That is what it did.

It did even more. The accrual rate has been reduced by 20 per cent. We have to work 20 per cent longer to get the same amount of money. It went beyond even that. It said that it would be possible for those who do not want the pension plan not to have it. I was really quite surprised that my colleagues from the Reform Party failed to mention this. I know why they did not mention it. They do not want to be fair. They do not want to deal with the facts. They want to exaggerate. They want to attempt to excite the passions of people and make them believe they have the answer. They do not have the answer. They do not even look at the facts.

• (1245)

Let me mention something else I have done in order to assist my Reform colleagues. There is a document entitled "Commission to Review Allowances of Members of Parliament". My colleagues from the Reform Party like to suggest that everyone is young, they will retire young and everyone will take home a large pension.

If everyone were to retire right now there would be fewer than 13 per cent of the people eligible for retirement. This means there are fewer than 13 per cent who are less than 54 years of age.

An hon. member: That's wrong.

Mr. Duhamel: One of my colleagues in the Reform Party says I am wrong. He should take it up with the commission to review allowances of members of Parliament. My colleagues in the Reform Party always think we are wrong when we deal with the facts from a neutral third party. The commission is not a political party trying to take cheap political shots because it has no issues or trying to create an issue and going down the tubes. This is a neutral third party that is dealing with the facts.

It is rather interesting to look at the number of retirees during the last decade. Roughly half received retirement allowances. The other half did not receive any pension at all. In the Parliaments of 1984, 1988 and 1993, that is exactly what happened. Do the Reformers mention that? Do they mention that roughly half receive no pensions? Of course not.

My colleagues in the Reform Party also like to pretend everyone walks out with a huge pension. Do members know that over 60 per cent of the 445 people receiving pensions today receive a pension that is less than $29,999 a year? They will not deal with that. They would rather deal with catcalls and emotions. They do not want to deal with the facts.

Let me share some other interesting statistics and look at our current plan in comparison with other provincial and territorial plans. They have a minimum age requirement. For example, in Nova Scotia the minimum age is 50. In Ontario it is age and years of service which equals 55. In Saskatchewan the minimum age is 55. In New Brunswick it is age and years of service which equals 60. In Quebec the minimum age is 55. My colleagues all know this but Reformers do not want to deal with facts. In Newfoundland, the minimum service requirement is two elections in five years, Nova Scotia is two elections in five years, Ontario is five years, Saskatchewan is one year only and Quebec is six years. Is this not interesting?

Let us look at the maximum pensionable level. In Newfoundland it is 75 per cent, Nova Scotia is 75 per cent and Ontario is 75 per cent of as high as a 36–month average. There is more.

Let us look at the post–retirement adjustment. Does the House know that the post–retirement adjustment in New Brunswick is indexed to the rise of the CPI?

I could share more with members but my colleagues do not want to deal with facts. They would rather deal with rhetoric, emotion and passion and try to pretend that they would do what is right. However, when they were given the opportunity to do what is right with the salary cuts only a handful took them. When they tried to pretend they were never going to be travelling on executive class, of course that did not happen.

I have gone beyond the provincial and territorial. I am going to go to the international level. We have looked at Canada.

[*Translation*]

The contribution rate here is 11 per cent. As for the minimum age and service requirement, Canadian MPs must have at least six years of service; the maximum pensionable level is 75 per cent of salary with full indexation to the cost of living.

In Australia, the contribution rate is 11.5 per cent, while the maximum pensionable level is 75 per cent of salary—the same as in Canada.

• (1250)

In the United Kingdom, the two Houses have a contribution rate of 6 per cent; pensions amount to 67 per cent of final salary but are fully indexed to the cost of living.

In Belgium, the contribution rate is 7.5 per cent, and the minimum age and service requirement is 55 years, or 52 years plus 8 years of service. The maximum pension is 75 per cent of final salary.

In France, the contribution rate is 7.85 per cent, the minimum age and service requirement is 55 years, and the maximum pensionable level is 84.375 per cent of final salary, indexed to the national salary growth rate. And I could go on and on.

[*English*]

I have proven my point. I have shown clearly that the government has gone beyond its two promises to raise the age of eligibility, which it has done, and remove double dipping, which it has done. It has gone beyond 33.3 per cent less contributions from the taxpayers to the pension plan and 20 per cent less take home by MPs. Besides, for those who do not want that, they need not take it. The government has gone beyond what it has promised.

In the provincial and territorial scene, the benefits are as good or better in a lot of areas. It is the same thing in the international scene. The benefits are as good or better in a number of other countries.

The Reform rhetoric is not based on fact. It is absolute nonsense for them to suggest that. They are plummeting in the polls and have lost their credibility so they are trying to create an issue. That is what they are trying to do.

When the leader of the Reform Party went to the press conference he referred to the current pension plan as trough and to the changes as trough light. I wonder what we need to do with respect to the Reform Party's latest suggestion that MPs' salaries ought to be increased to $150,000 a year. At a 2 per cent accrual rate per year that would give us in excess of what we have on pensions as well. Are we supposed to call this trough premium plus?

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I am pleased to rise and speak today on Bill C–85, an attempt to reform the MP pension plan. Before I do I would like to address a couple of comments of the member for St. Boniface who attempted to make such an eloquent defence of the indefensible.

This really has not been much of a debate. Very few have come to defend this so–called reform of the MP pension plan, although he did make a feeble effort. He talks about being fair. I wonder who we are attempting to be fair to here. I suggest it is about time we were fair to the taxpayers who have been paying the bill for all of these years for this gold plated pension plan.

He also talks about what the provincial governments are doing in their pension plans. He forgot to mention the promise of Liberal Party in Ontario to scrap its pension plan and put in

something that is more in line with the private sector, as has already happened in Alberta and will happen in P.E.I. Those provincial governments have got the message that these gold plated pension plans have to go. The federal government has not got the message yet.

It is obvious from this bill that the members of the government still do not understand that what we are talking about here is integrity, credibility, and getting a handle on the deficit and debt by showing leadership by example.

The President of the Treasury Board said during his opening remarks that the pension debate has been discussed here for 10 years. For the same 10 years it has been cussed in the rest of Canada. The voters have been upset with it and have been growing more upset. I can assure all members of the government that Bill C–85 will not end the discussion or the cussing. It will continue because the bill does not address the problems. I can assure the House this will be an issue in the next federal election because we will be there to make sure it is.

• (1255)

When we had some limited debate, Liberal comments were that the amount of money is small when it is taken in the context of the total debt.

An hon. member: Shame.

Mr. Harper (Simcoe Centre): Shame. I would like to see that statement made to a group of taxpayers. "Why worry about our gold plated pension plan? It is only a little bit of money in the whole scheme of things. Surely you do not begrudge us a little bit of extra debt".

They talk about what members of Parliament do after they get booted out of office. Some of them are unemployable. Based on the job they do here I think they should be unemployable. Canadian taxpayers should not be funding a lavish lifestyle for MPs. I want to hear MPs tell that to the thousands of Canadians who are unemployed or under employed because they have lost a job through no fault of their own. They were not booted out by the voters. I have difficulty finding any great sympathy for MPs.

Then I hear some talking about the great sacrifice they have made to serve the Canadian people. No one held a gun to their heads and made them run for office. We sought the nomination. We went out and campaigned. Now we hear the rhetoric about the great sacrifice they made on behalf of the Canadian people. The only members of Parliament who might even have a hint of credibility in that area are those who were nominated. The nominated candidates of the government may have some justification for remarks like that but certainly none of the elected members would.

The red ink book promised reform and all we have in the bill is window dressing. I recall the comments of the former leader of the opposition, who is now the Prime Minister, during the election campaign. He challenged the government: "Recall the House. We will deal with the pension plan right away". It was a burning issue with the Canadian people. How times change. Once elected to office, it is no longer a burning issue. Eighteen months later we get around to dealing with the pension plan but it all window dressing. It is a minor tune–up when a major tune–up is required.

The money and perks are not the incentive for members of Parliament to run for office. Anyone who is here because of the money and the perks is here for the wrong reasons. I suggest there are not many members of Parliament on either side of the House who are here for that reason.

Canadians would agree there must be a pension but it must be a fair pension. The Canadian people are fair. They want the pension to be adequate and they want fairness to be part of it.

With the gold plated pension plan members are staying in office because they see the gravy train and they want to get aboard. That is the wrong incentive for people here. As a matter of fact, it suggests that perhaps we should be looking at the possibility of term limitations to remove the carrot.

As the Liberals have a habit of doing, we are mixing apples and oranges. They have demonstrated a penchant for it in the gun control bill. They are mixing the criminals with the law abiding. What are we doing with this bill? We are mixing pensions with salaries. They are two different issues and should be dealt with separately. There is absolutely no basis to combine them. We are here talking about pensions and we keep hearing about the salaries of hockey players. That has nothing to do with the debate today.

Mr. Milliken: Ask Silye what he thought about it; $150,000 salary, that is what he is talking about.

Mr. Harper (Simcoe Centre): Mr. Speaker, Canadians are fair, but that fairness is being abused in the bill. All they are asking for is fairness. They are prepared to give it, but they are not getting it back now.

What are Canadians saying about this? No issue has a higher profile. Two years ago during my campaign it came up at every all candidates meeting, at every door I knocked on. It certainly continues to be brought up at every town hall meeting I go to. They ask: "When are you going to do something about that gold plated pension plan?" That is what Canadians want to know and they are asking it from coast to coast.

Let me quote from a survey by Environics. Eighty–six per cent of Canadians say that the MPs pension plan is too generous. Ninety–three per cent believe the federal government should

fundamentally reform the plan before cutting government spending, including spending on social programs.

• (1300)

Eighty–eight per cent support bringing the plan into line with private sector pension plans. Ninety–three per cent believe that the value of the MPs pension plan should have the same limit on growth as the private sector plans. Ninety–one per cent believe that MPs should only begin to collect their pensions at age 65. Sixty–five per cent say that MPs pensions should not be indexed to inflation.

The government had a great opportunity in this bill to restore some integrity to this place and it missed it by a country mile. It is most unfortunate. Politics have changed in Canada for the better. Canadians are no longer going to be dictated to from the top down.

The old guard who has been here for a number of years has not received that message. I was hoping that the 205 new members, many of whom are from Ontario, would have understood that the Canadian people are not going to take this lying down any more. They will stand up and be heard.

Let us look at what the consultants said about this MPs compensation package. On eligibility Ernst & Young said that it should be age 60 and not age 55 as it is in this bill. On pension accumulation, they recommended 2 per cent. What do we have here? We have double that. We have 4 per cent. On indexing they said only to inflation in excess of 3 per cent. What does this bill give us? Full indexing.

Mr. Milliken: What did they say about salaries?

Mr. Harper (Simcoe Centre): The member opposite is missing again. He is talking about salaries. We are talking about pensions. There is a blockage over there. We have great difficulty getting through but believe you me, we are going to keep on trying. There may be some hope down the road. It is pensions and not salaries we are dealing with.

Seventy–eight per cent of the plans in the private sector do not have indexing. Why do we have it? Why are we so special?

About the contribution rate, Ernst & Young said it should be reduced from 11 per cent to 5 per cent. Bill C–85 instead of going down to 5 per cent gives us 9 per cent.

There is one good part about this bill. That is the opting in clause. I am proud to say I will not be opting in and I am also proud to say my Reform colleagues will not be opting in. We are out of it and I am proud to stand in the House and say this.

It will be a major issue in the 1997 election or whenever the next federal election is. These members' replacements, and they will be replaced, will not appreciate that they were not given the opportunity to opt out. They will waste no time in changing the plan. I can assure members of that and we will be here to help them do exactly that.

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I recall vividly after the election when we first came to this House in January 1994. A party which came from the west promised to do politics differently. Its members promised to take the moral high ground, if you will. They wanted to make this Chamber work more effectively. Sadly, after all this time, we know that is not the case. I want to talk about that. It is important that Canadians who are watching understand the hypocrisy in the House coming from the west and that they have a chance to reflect on it.

The debate on pensions was introduced as an opposition day motion on November 22. At that time, Reform Party whip wanted members of Parliament to be paid $12,000 a month. On top of that he wanted members of Parliament to have a 5 per cent pension contribution matched by the government.

I noticed that since the debate has started once again, it is no longer $12,000 a month that the whip of the Reform Party wants members of Parliament to have. Now it is $150,000 a year which is more than $12,000 a month. It is amazing. If we leave it for another six months, he will be asking for $200,000. I have answered a number of letters about that issue. I have pointed out the hypocrisy of that position.

• (1305)

When I talk about some of the hypocrisies, let me focus on some of the things that have been said by Reform Party members. They said that they oppose any assistance to political parties from public funds, including any refund of candidate or party electoral expenses. Guess what the reality is. They have taken the refund for 50 per cent of eligible campaign expenses estimated to be between $2 million and $3 million.

Mr. Hill (Prince George—Peace River): What did you do with yours?

Mr. Telegdi: They are doing politics differently, like they promised they would. Just listen to them howling in the back.

Mr. Hill (Prince George—Peace River): Talk about hypocrisy, look in the mirror.

Mr. Telegdi: In their blue sheet the Reform Party states it supports the re–examination of MPs' and senators' expense allowances, free services, staff privileges and limousines. The leader of the Reform Party has a $31,000 annual expense account paid for by the Reform Party which is supported by the taxpayers of this country.

Some hon. members: Oh, oh.

Mr. Telegdi: Mr. Speaker, it is hard to speak over the howls coming from the would–be preachers down to the left.

Let us talk about double dipping. The champion double dipper sits on the Reform side. Does any Reform Party member stand up to denounce it? Does any Reform Party member stand up and say: "No, this is wrong. We will not do it because there is only one taxpayer's pocket"? They do not.

He served in the provincial legislature and gets a $60,000 a year pension and he sits in the House and collects a member of Parliament's salary. Surely even Reform Party members can understand the hypocrisy of their position.

The fact is we had a red book and we made promises in the red book. Have we lived up to those promises? My answer is yes. Not only did we live up to them, we have gone beyond them. We even had some grudging commendation on that from members of the Reform Party, including the Reform Party whip.

Let me say for myself and my colleagues in the House, and we have to say this often, Liberal members of Parliament do not believe that a member of Parliament should be paid $150,000 a year, unlike the suggestions by the Reform Party whip.

The hypocrisy goes beyond just the pension issue. It goes back to the early days of this House when members of the Reform Party stood up and said they wanted to do politics differently. Having watched the House before, they are not doing politics differently. They are taking politics to a new low. Talk about political opportunism. They would misrepresent the workings of this House for pure, selfish, political gain.

Mr. Epp: On a point of order, Mr. Speaker. I know it is difficult to keep the relevance rule going, but I think instead of the hon. member talking about the Reform Party we should be discussing Bill C–85. I would like the member to describe for us the wonderful aspects of Bill C–85 and how it solves the problems.

The Acting Speaker (Mr. Kilger): I believe the member for Elk Island is correct. The rule with regard to relevancy is one that is at the best of times very difficult for the Chair. However, certainly his presentation I think was a matter of debate more than a point of order.

• (1310)

Mr. Telegdi: Mr. Speaker, I expect the Reformers to keep interrupting. Of course they would because they do not like to deal with the shortcomings of their position and the hypocrisy surrounding it.

Reformers promised to come to the House and do politics differently. They have not done that. I am saddened by it.

An hon. member: Talk about the pension.

Mr. Telegdi: This deals with the hypocrisy of the Reform Party position, if the member must know. Doing politics differently certainly has not been their long suit, except to take us down a few notches in the public perception. Is it working? I suggest it is not.

It is not working because the Canadian public sees through it. The Canadian public sees through that opportunism. When the leader of the third party talks about a code of conduct and talks against expense allowances and turns around and collects $31,000, then the hypocrisy is clearly pointed out.

In terms of being up front and straightforward with the electorate, we had a campaign. The reforms were spelled out during the campaign. This government has gone further than it said it would in its red book. I can best characterize members of the Reform Party in the House as chicken littles running around saying the sky is falling.

Reformers would do the same thing with some of the major issues facing this country, which can cause our economy a great deal of damage. Instead of dealing with the issues that are of great importance and impact on the daily lives of Canadians, Reformers choose to sidetrack. The Reform Party, instead of doing sincerely what is best for Canadians and the House, has reduced itself to rhetoric, from reasoned argument to basic, simplistic political games. It is not working. Hypocrisy day after day becomes very obvious and it shows.

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, unlike the previous speaker, I will confine my remarks to the bill before us. His comments show the obvious lack of confidence in his own party's bill.

It gives me great pleasure to address Bill C–85 which deals with the issue of MPs pensions. This issue is of great concern to myself, the Reform Party and to all Canadians. This plan was indefensible even in the good times when Ottawa's vaults were overflowing and the public was feeling generous toward its politicians. However, in bad times such as we are now experiencing, when many Canadians are suffering and the government is hard pressed to fund basic programs, the MP pension plan amounts to little more than the great Canadian ripoff.

When I say I know Canadians truly do want the MP pension plan reformed, I am speaking for those individuals who live in my constituency of Edmonton—Strathcona. I asked my constituents for some feedback on this issue in my first householder. The results were overwhelmingly in favour of pension reform. I cannot help but believe if the Liberals were to ask their constituents the same question, they would find the same result.

Constituents were asked at what age should an outgoing MP be able to collect a pension. Seventy–five per cent of my

constituents felt an outgoing MP should not be able to collect until after his or her 60th birthday.

• (1315)

The second question asked regarding MP pensions was how many years should an MP serve before being eligible for a pension. The results again are staggering in favour of pension reform. One hundred per cent of respondents said the number of years should be no less than eight. Eighty–one per cent felt the minimum number of years of service should be no less than 16.

Answers to these questions are a far cry from the present situation in place today and also a far cry from the pension reforms the government has introduced. It is important to illustrate a few facts about MP pension plans, as they will clearly illustrate why the constituents of Edmonton—Strathcona and Canadians as a whole feel there is great need for the present pension plan to be reformed.

First, pensions are payable immediately upon retirement and only after six years of service no matter at what age the MP retires or is not re–elected. Second, payments continue even if the ex–MP holds another permanent job, which would be defined as double dipping.

Third, pensions begin at $23,390 per year and increase 5 per cent per year of service to a maximum of 75 per cent average salary. Fourth, inflation indexing kicks in after age 60 but is retroactive to retirement day.

Fifth, MPs pay 11 per cent of their base salary into the pension fund. The government matches this amount and covers shortfalls, an unfunded liability which cost Canadian taxpayers nearly $160 million last year.

By no means is this list inclusive. There are, however, a few items of concern to me. I have stated in the House repeatedly that Reformers have come to Ottawa to make a difference. I ran for Parliament to serve my constituents. I did not run for a pension.

The Liberals state in their red ink book: "A Liberal government will reform the pension plan of members of Parliament and put an end to double dipping". Bill C–85 is a poor attempt at addressing the issue of pension reform.

We have been sitting in the House for over 18 months and we are discussing still the pension issue. Obviously it was not as important a commitment to the Liberals. It is also interesting to note the current Prime Minister challenged the former Prime Minister to recall Parliament if she were was truly serious about pension reform. This was just before the last election. I quote the present Prime Minister: "Reforms would pass in a day". It has been over 500 days since he became Prime Minister and still no reforms have been passed. I find it ironic the only member of the House whose benefits are not reduced by this bill is the Prime Minister.

Canadians will not tolerate political injustices. The evidence lies with the now defunct Conservative Party. We on this side of the House know the government has delayed on the issue of pension reform. Perhaps it is because the Liberals are concerned about having to adapt to another of the Reform Party's policies such as they have done in the past on issues such as the Young Offenders Act, parole reform, criminal justice reform, debt and deficit reduction, and let us not forget immigration.

All this is doing nothing but costing the taxpayer more and more money each day. As we know, the National Citizens Coalition set aside a day this year and called it national trough day in which another group of 52 MPs of all political stripes became eligible for this outlandish of extravagant pension plan. These new members of the trough club could collectively receive $53 million if all of these 52 MPs quit today and lived to the age of 75, while at the same time the average Canadian citizen must work 35 years to accumulate a pension which is not nearly as gold plated as this.

• (1320)

This gold plated MP pension plan should be renamed from pension plan to cash for life rip off of the Canadian taxpayer. This plan is perhaps one of the federal government's most offensive examples of waste. What strikes to the core of the issue is we as parliamentarians have to set an example for all Canadians and delaying issues such as pension reform is no way to lead by example.

I can stand in the House and state unequivocally that the Reform Party is different. We want to see changes in the pension plan; not just superficial changes, substantial changes.

These changes would include a pension plan brought in line with pension plans offered in the private sector, an end to full indexation, postponing eligibility until at least age 60, ensuring the MP pension plan is adequately funded by MPs for the benefits they will receive so there will be no shortfalls, allow MPs the option to opt out of the pension program and allow the flexibility to invest in a private pension plan such as an RRSP with a maximum contribution in accordance with the Income Tax Act.

Let us now look specifically at what the Liberals have introduced. They have decreased the contribution and benefit rates, but only marginally. They have raised the minimum age to 55 for benefit eligibility. I refer to a survey of my riding in which 81 per cent of constituents feel the minimum age should be 60. The Liberals claim to have ended double dipping and yet benefits will continue to grow under the generous inflation indexing provisions. They offer an opting out clause but it is a one time deal, as coverage will be compulsory for members of future Parliaments. The benefits will continue to be fully

indexed to inflation from the date they retire. This has not changed and that is no big surprise to me or to the Reform Party.

We must stop this insanity. We must make real changes and real reforms to the MP pension plan now.

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, I will tell the Reform Party a little story.

In 1975 I was elected to the Ontario legislature and served for ten years. Because I was self–employed, when I retired I assumed it would be a very simple process to pick up the pieces where I had left off and re–enter the career I had left. However, I discovered it took four years to regenerate the income level I had prior to my retirement from public life. I suggest to members of the Reform Party that unless they are farmers the transition back to private life will not be nearly as simple as it seems. I say that with all sincerity. I say that to defend the pension plan and the pension reform.

• (1325)

Why do we have a pension plan at all? We could accept the $150,000 a year the member for Calgary Centre is proposing. I am sure the people of Canada are not ready to embrace that concept. I suppose if all members of the House wanted to accept that salary and do away with the pension plan entirely I have no complaints. We can do it that way.

The pension plan was set up to ease the return to private life, and also the severance package members get at the end of their service. It was done to recognize we are here generally during the highest earning years of our life. The longer we are here and the older we get, the more difficult it is to resume the practice we had before.

We could take this right to the extreme. We could return to the old ways when members did not get paid at all, no pension. The requirement was that one had to be independently wealthy to serve or one had to have a patron. I am not sure the people of Canada are ready for patronage of that kind again. That is the way it was.

The idea of a pension plan was to allow people of modest means to participate in the life of the country. It was no longer then the sole preserve of the elite.

Right now there are approximately 600 former members of the House. Approximately 400 never qualified for any kind of pension whatsoever. They did not serve long enough to qualify. The pension is being delivered to approximately 200 former members of the House.

The Reform Party criticized the plan on one hand and on the other hand some of its representatives, at least one for use, said do the same thing another way, in spades, $150,000 a year. It is interesting but we cannot walk both sides of the street on this issue.

I am a strong supporter of pension plans for members of Parliament for the reasons I have outlined. Whether the package is too rich is a matter of debate. We decided it should be modified somewhat. We also decided it was essential to preserve it. Sooner or later all of us here will not be here any more. All of us will face a new reality as we go on to resume our lives or go on to new lives.

All the populist rhetoric in the world does not allow us to escape from that reality. I know it has been very popular to zero in on MP perks, as they are called. I have not found any yet but I am still looking. It annoys me to no end. The reality is if pensions are done away with the next generation of members will make a decision based on whether there is security at the end of its tenure. If there is limitation on the availability of standing for election the quality of governing will decline remarkably.

• (1330)

It was done for a reason. We have taken a lot of brickbats because the pension plan exists. I think that is due to a general lack of understanding of the reality. There is even a lack of understanding that the pension plan as we have it is contributory, that we actually contribute a portion of our own salaries to the plan.

I support the bill we are debating today. I support the changes being made. However, I think we should all very seriously consider the realities of life and not just the populism that we think everyone wants to hear.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I intend to speak primarily on one aspect of the bill the opting out section. However, I cannot begin until I make a comment on the speech of the hon. member who just spoke.

He made it sound as though we would be destitute without the pension and that the Reform Party proposes that there should be no pension. We have no problem with the concept of a pension, only that it should be a pension that is reasonable and fair, given the marketplace and given the economic conditions in which Canada and Canadian taxpayers find themselves.

The hon. member for St. Boniface rose in the House and, shedding great crocodile tears, informed us of the hardship of 60 per cent of the MPs who are retired and who have to somehow make do on less than $29,900 a year. My heart really goes out to them. That is a real hardship, I am sure, given that we are asking Canadian taxpayers who make less than that in total income, who are trying to raise their families and pay mortgages, pay taxes so that we can then—

Mr. Duhamel: Mr. Speaker, I rise on a point of order. My comments are being interpreted completely inaccurately. I did not say that those people were destitute. I pointed out that we were being misled into thinking that high pensions—

The Acting Speaker (Mr. Kilger): Order. I must report to the House and the member that is not a point of order. Certainly it might be a matter of debate before the House.

Mr. Gouk: Mr. Speaker, I will clarify that he did not suggest they were destitute, but he did seem to shed some tears for their situation. Many of those people who are somehow scraping by on less than $29,900 a year are in their fifties, in their forties, and some are even in their thirties. Perhaps they have found themselves a job and they are able to support themselves.

Another comment, which involves the specific point that I wish to address, which is opting out, was made at the start of this whole debate by the chief government whip. The chief government whip used the word hypocrisy. I am really surprised to hear him use that word, given the hypocrisy on the government side over the whole issue of opting out. The opting out is the biggest hypocrisy this government has ever dumped on the floor of the House. If the Liberals were serious about opting out, they would have offered any conditions that could have been offered that did not cost the taxpayers money.

Opting out means a refund of contributions. This is what they are offering. The majority of that refund cannot simply be transferred to an RRSP. Contributions paid by MPs are specifically earmarked for retirement. During the period of contribution MPs are cut off from an RRSP contribution due to the fact that they are participating in a registered plan. The total amount MPs pay into the government plan is less than the amount they would have been allowed to contribute through an RRSP if they were not blocked from doing so.

• (1335)

If the Liberal Party were really interested in saving the taxpayers money, it would make opting out a more attractive alternative. Why is it not doing this? If opting out were handled seriously instead of punitively, the Liberals may find that many of their own members would be opting out, and this would embarrass the government. They cannot have that. What is more, they would run into a situation where suddenly, with so many people opting out, they would have a problem justifying continuing the old plan for those few members who remain and may be forced to give up the lucrative pension for those who are looking forward to this high income for life.

What could they have done? What is the alternative? One alternative is to create a matching RRSP contribution, pure and simple: 50 per cent from the MP and 50 per cent from the government. The advantage to this is that it is $1 to $1 instead of the old $6 to $1, which has only been dropped by half a point in the new proposal. Now they have mixed some accounting magic and say that given the number of people who drop off, we will not count them and we will not count some other things. So they came up with some lower numbers. No matter how they play with it, it is still considerably higher than $1 to $1. That $1 to $1 does not have the potential of any kind of accounting magic whatsoever. It is a real and genuine $1 to $1.

The other advantage of this is the cost to the taxpayer stops when the service to the taxpayer stops. This would be a pure and simple matching during the tenure of the MP, stopping as soon as they no longer served as an MP.

The very minimum the government would offer if they were serious about the opting out would be an amendment to the Income Tax Act that simply allows the pension contribution made by MPs who were opting out to be transferred into an RRSP. This is money that was put aside for the specific purpose of retirement. This would not involve any matching amounts, but would ensure that money MPs have put aside for that purpose continued to be held for retirement purposes.

Then there is the matter of the future opting out. There is none. If this were a serious thing that we should be considering, MPs at any time could either decide if they wanted to get into whatever the pension plan was at the time of their election, or if they found it as distasteful in the future as Reformers find it now then they would have the ability to opt out as well. This is not being offered. Once again, the Liberals are afraid that if too many people start opting out they may be forced to do so as well.

The first speaker today, the chief government whip, started with the word hypocrisy. That is the word I will end with. It is hypocrisy on the part of the government to offer a facade that is really not in the interests of taxpayers. It is only in the interests of those high income Liberal MPs.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I want to speak on Bill C–85 because when I ran for election in the 1993 campaign the MPs' pension plan was a major concern to my constituents in Mission—Coquitlam.

As a Canadian I was angry about the lucrative plan, which is an insult to the Canadian taxpayer. I promised when campaigning that I would do everything I could to try to change the MP pension plan. Today I hope there is someone in government who is listening, someone who cares.

I know many Liberals are concerned about the plan. I am sure there are others in the House besides Reformers who find the existing plan repulsive and have difficulty accepting the plan as it is.

I hope the government will take a long, hard look at the bill and reconsider its approach to rush the bill through Parliament, recognizing that the better process would be to allow more study on the bill and a lengthy debate.

Perhaps one major concern here is that members of Parliament make the decisions regarding their own remuneration. It is way past the time when MPs should set their own wages. The public has no input. By sending 52 Reform MPs to Ottawa, our constituents, many in the west, were saying among other things that they were sick of the obscene pension plan and wanted it changed.

• (1340)

Sometimes when politicians come to Ottawa they forget the very people they are supposed to represent, the Canadian taxpayers. I really wonder how many of the Liberal members of Parliament visit regularly with their constituents.

Some hon. members: Oh, oh.

Mrs. Jennings: I am sure they do. I am hearing from the opposite side that they do. What do they discuss? Surely Canadians in the Maritimes, Quebec, Ontario and the rest of Canada are not happy with the MP pension plan. I find it very hard to believe that only Reform constituents are concerned about this terrible injustice. How did this pension plan get so far out of control?

Bill C–85 suggests some changes to the existing MP pension plan, but are they really constructive changes? The purpose of Bill C–85 regarding contribution and benefit rates decreases the accrual rate from 5 per cent to 4 per cent. I understand the recommendation was 2 per cent. This is still double the rate of most private pension plans. It also lowers the rate at which individual members contribute to the plan from 11 per cent to 9 per cent. If Reform MPs opt out, as they plan to do, how will this plan be supported?

Bill C–85 proposes a very generous age for retirement, 55 years of age. I started a new career at 55. I am sure that with the hardships in today's society many other Canadians are having to look for new routes to follow as well. I believe 60 or 65 would be more appropriate to discuss as a future MP retirement age with a pension.

Bill C–85 eliminates double dipping, although we see benefits will continue to grow under generous inflation indexing provisions. I am concerned about the opting in clause, which requires that MPs who wish to be included in the plan indicate this within 60 days of the bill receiving royal assent, but further that those MPs can never get back into the plan.

Reformers are committed to reform, and reform means to change things that need to be changed. If Reformers stick with determination and commitment to work to change the way government legislation reads at this time and if they should be successful in finally bringing about a decent pension plan that is comparable to the private sector plans, then why would Reformers or anyone else disgusted with the present government abuse of taxpayers' dollars who had previously opted out of this plan not be entitled to receive a more decent pension plan?

I am not against pension plans. It is my firm belief that everyone who works is entitled to a decent pension plan, one that in this case should reflect that government is living within its means. Members of Parliament should receive pensions that are comparable to those that ordinary Canadians receive in the private sector and that meet all requirements for registration under the Income Tax Act. This bill clearly does not accomplish this. Reform has called for the government to bring their pensions down to private sector levels. Clearly they have failed to do this.

Reformers are average people, with families and mortgages. They would love to belong to a reasonable pension plan. These so–called reductions to the Liberals' pension plan barely make a dent in the cost to taxpayers. According to Treasury Board officials, most of the savings we will see are actually due to actuarial factors, not the government's changes.

Taxpayers are still paying over three and a half times as much as the individual members are for their pensions, with $3.50 from the government for every $1 for the Liberal contributor. The taxpayer's contribution is still too much. The only thing I like about the Liberals' pension scheme is that all MPs have a chance to opt out; in other words, to make a statement. They can tell the government to leave this money where it belongs: in the taxpayers' pockets. That is what all of the Reform MPs are doing.

Members in the House are in a very privileged position. As I have said before, not only do we make laws and budgets that affect all Canadians, we also set our own remuneration, our own salaries, our own pensions and our own perks. This is a responsibility not many people have, and one that must be protected from abuse. Herein lies the problem.

Perhaps the most disturbing part of all this is the government's attempt to hide just how generous their plan really is. They tell us in the public accounts how much each member spends maintaining their office or travelling and how much their salary is, but they will not tell us the cost of their pension. This information must be made readily available now and in the future. How else can the public judge the fairness of this scheme?

In an effort to skirt the issue of MPs' pensions in the next election, new MPs elected to the 36th Parliament will not be allowed to opt out. The Liberals do not seem to realize that until substantive reforms are made to this plan, likely by a Reform government, it will continue to be an election issue. The government professes to have brought down a tough budget. I do not think it was tough enough, certainly not in this area.

• (1345)

We cannot keep spending money we do not have. The interest payments are killing our jobs and our economy. Watching the government cut the benefits other Canadians get and raise taxes on necessities like gasoline and utilities, so far it appears the only thing the budget has been tough on are taxpayers' wallets. It is time to admit we cannot afford to pay millions of dollars in retirement benefits to politicians

I remind all members how privileged a position we hold. It is a position of trust. Not only do we make decisions that affect all Canadians, we also establish our own remuneration. Not many people have this power and responsibility. We must guard against its abuse.

The best protection against abuse would be the introduction of citizen based powers like initiative, referendum and recall. In the absence of these measures it is a pretty clear indication this power is being misused when 52 members feel they must opt out of the government's pension plan on principle.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, the government has demonstrated once again it lacks the will to get the job done. It cannot balance the budget. It does not understand Canadians want concrete and not imaginary changes to the justice system and it has failed to introduce real MP pension reform. Canadians are tired of making sacrifices, tightening their belts and watching the government squander their tax dollars.

We saw what happened after the government failed to bring in a tough budget. Moody's downgraded our credit rating when it became clear the government is not committed to eliminating the deficit. Likewise, these cosmetic changes to the MP pension plan prove the government is not serious about MP pension reform either.

Canadians have seen the government waste countless dollars on study after study, review after review, with no tangible results. Bill C–85 is yet another charade with few substantive reductions to the extravagant MP pension plan. The government knows that due to its lack of hard fiscal policies there will be difficult days ahead. It knows if it does not tackle the debt Canadians will have fewer social safety nets left at the end of the day. Does it care? Obviously not. It is padding its own retirement coffers while it ignores a looming financial crisis. How serious is it about getting Canadians back to work and turning the economy around if it is going to such great lengths to protect an exorbitant MP pension plan?

With the ever increasing debt, will the Canada pension plan survive? With rising debt service payments, will the government cut deeper into RRSP savings plans? At the same time as it sets ridiculously low targets for tackling the deficit it makes taxpayers pay ridiculously high amounts into MP pensions.

Young people saving money now may not have enough put away to live above the poverty line when they retire. Yet MPs will receive fully indexed pensions at age 60, indexed from the moment they retire from public office.

The government has its priorities screwed up. MPs are here to serve Canadians. Canadians are not here to serve the interests of MPs. They will not stand for these double standards much longer. Canadians will still pay $3.60 for every dollar an MP puts into this plan. Why can the government not bring it into line with private schemes? Why can it not face reality and realize even MPs must tighten their belts?

Time and again as we have questioned the Prime Minister about excessive MP pensions we have seen him avoid the real issues. Time and again we have seen him deflect the discussion about retirement plans and begin to talk about MP salaries. These are two distinct issues and he knows it. We are discussing pensions today, not salaries. I am perfectly willing to discuss salaries. Do not confuse an extravagant retirement plan with the argument that MPs are underpaid while they hold office.

If the Prime Minister wants to discuss salaries, fine. First he can set the wage at what it should be and take away the special allowances. Get rid of the tax free allowance and provide an equivalent in taxable income. Get rid of the $6,000 travel allowance we use to maintain a second residence in Ottawa and make sure our income will cover the additional costs we must incur. Do not avoid an honest debate on the validity and sustainability of the proposed pension plan by throwing up smoke and mirrors about the unrelated issue of salaries.

• (1350)

The truth is the government knows this plan is too generous and knows the public will not support it if it is debated on its own merit.

There is a one time opt out clause. Only members of this 35th Parliament will ever be able to opt out of the plan. There is a significant financial disincentive for the class of '88 to opt out because all of the money it has accrued in the pension plan since 1988 will be returned to its members in one lump sum this tax year. Only one–third of it can be rolled into RRSPs or private retirement plans and the rest will be taxed this year if they choose to opt out.

While we are on the subject of how insubstantial the changes to the MP retirement plan are, I ask the government why it did not consider a mechanism for making some of these changes retroactive. Why has the government not included a clause which would allow us to buy out the multi–million dollar pension packages some of the sitting MPs will be looking at

when they lose their seats in the next election? They will still be in their forties but entitled to fully indexed pensions.

Is this an admission that spending too long in this place leaves one incapable of doing anything else? I notice Reformers are opting out and confident of supporting themselves, so perhaps this inability to find gainful employment has something to do with being tied to traditional parties, reliant on traditional perks and privileges.

The government does not want MP pensions to come up as an election issue next time around, but I have news for the government. Until the MP pension plan is brought into line with private pension plans it will be an issue at every election. As more Canadians realize that despite their best efforts they will not have enough to retire on, they will look at retired MPs supported by public funds and grow increasingly bitter.

Yes, we work long hours in this job. Yes, we frequently work seven days a week. Yes, we must make sacrifices and spend time away from our families to do our jobs properly, but so do a lot of other Canadians. They get paid for the time they put in. They do not expect an unrealistic, unsustainable retirement plan as a result of their hard work.

As a grain farmer I have grown up expecting I will have to take responsibility for my own retirement. Farmers know there will be good crop years and there will be droughts. We have to plan ahead to make sure we can get through the bad years. That also means putting money aside for old age.

Farmers, like all small business people, do not have a company pension to rely on. Small business is the economic backbone of the country and the driving force behind new employment opportunities, and yet most small businesses cannot afford pension plans for their employees and everyone must save for their own retirement.

It would be nice if all Canadians had a pension plan as lavish as that of MPs, but let us be realistic. Why should taxpayers support someone so generously just because they held public office for six or more years?

I never believed other Canadians should be responsible for supporting me after age 60 or 65 and I certainly have not changed my views since I was elected. MPs are no different than other Canadians. We just have a different job. Yes, it carries a lot of responsibility but we chose to go into politics.

If the government cannot bring the MP pension plan into line with private pension plans it is holding MPs up as more deserving than other hard working Canadians. I do not believe that is the case and that is why I will be opting out.

I did not get into politics for the retirement plan. I came here to help change things for the better. Maybe that is idealistic of me but at least I will be true to my principles. When I look across the floor to my hon. colleagues, the vast majority of whom will accept this plan, I cannot help but wonder how they can look some of their constituents in the eye.

In my riding office I receive calls from seniors concerned about missing income security cheques. I receive calls from people on unemployment looking for work. I receive calls from people on disability pensions. These Canadians have a tough time making ends meet, even if their cheques are a few days late. That is how close to the line they are. Yet the government is asking taxpayers to toss almost four times as much as we do into our personal retirement funds.

• (1355)

How can my Liberal colleagues across the way opt into this generous pension plan and then turn to help their constituents with no shred of shame? I know I could not.

If the government had the best interests of Canadians at heart it would bring the MP pension plan into line with private pension schemes and demonstrate a real commitment to fiscal responsibility to ensure all Canadians will be able to retire in comfort.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I will approach this issue in a slightly different way than my colleagues have. I thank the members opposite for providing an issue that will guarantee my re–election in Macleod.

As I campaigned this was a significant issue. I tried to figure out in my community why this had become so symbolic of what is wrong with government. I tried to figure out why this was a flash point for the public at home for me.

I found that during the campaign when the question was asked of all the members who were running in my area what they thought of the MP pension plan, the incumbent said nothing. The Liberal candidate said: "I will not take the plan". The NDP candidate said: "I will not take the plan". I found myself aligned with those two individuals.

I looked for a different way to say to those potential constituents of mine that I will not take the plan. I wrote in public a letter to my constituents: "I, Grant Hill, the Reform Party candidate for the Macleod riding, do hereby state that I strongly oppose the current MP pension plan. I will not accept this pension if I become eligible for it and I will do everything that I can do to reform the plan and make it fair".

Then I had the people of my constituency witness it. I went around to my public meetings. I am sure members opposite would like me to table this document. I am willing to do that.

The Speaker: The hon. member will have the floor when we resume debate. It being 2 p.m., we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

WINNIPEG CITY COUNCIL

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, I rise today to congratulate Winnipeg city council for its initiative in keeping 1,500 obsolete police revolvers from finding their way back on to the streets.

The city council was offered $115 per gun as a trade in allowance. However, this forward thinking municipal council chose to melt down these weapons because the manufacturer was to resell them to an American arm's dealer. One can only imagine how many of these would fall into the hands of irresponsible gun owners and how many tragedies would follow.

Because of the actions of this council I am convinced lives have been spared. Those who contribute $115 to Winnipeg's retire a gun scheme to help offset the lost revenue should also be commended.

This is an option that Canadians should be encouraging other municipalities to choose. Congratulations, Winnipeg.

* * *

[*Translation*]

CHECHNYA

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, as a tribute to the people of Russia and the former USSR, who suffered over half of the human casualties of the second world war, the Prime Minister is participating today in Russia's last round of celebrations marking the 50th anniversary of the Nazis' capitulation.

Moscow has stated that it intends to pursue its military offensive in Chechnya as soon as the celebrations are over.

Instead of treating the Russian authorities with complacency, we hope that the Prime Minister will have the courage to publicly state Canada's opposition to this war and to vigorously protest the massacre of Chechens.

We hope that the Prime Minister will use some other means to get his message across than what he used in China, which was to discretely whisper it in the ear of his counterpart.

[*English*]

TREASURY BOARD

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the deliberations of the government operations committee on contracting out have been hampered because annual contracting activity reports have not been approved for release by Treasury Board.

For two years Treasury Board has held up these reports even though they are required by Treasury Board's own guidelines. Responding to a question in the House, the minister promised these reports by the end of April. Now it is mid–May and the committee is still in the dark with no way of knowing the year to year status of government–wide contracting activities.

What will the report show about contracting out? What does the government have to hide? Where are these reports?

There are enough members of Treasury Board on Parliament Hill right here, right now to hold a short meeting and approve the release for these two documents. I call on the President of the Treasury Board to fulfill his promise by approving the annual contracting activity reports for release today, not as soon as possible, do it now.

* * *

MANITOBA

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, May 12, 1870 marked the entry of Manitoba into Canadian Confederation which we celebrate this week.

Canada and Manitoba have since this union strengthened each other in politics, culture and social and economic prosperity.

We are known for our 100,000 lakes as much as we are known for the multicultural richness of our people, a microcosm of Canada. I am a proud Canadian; I am a proud Manitoban. It has been my privilege to call it home for the past 27 years. Our four sons have known no other home.

Many Manitobans have excelled in various fields of human endeavour in the history of our nation, including a former governor general and a former chief justice of the Supreme Court of Canada.

Manitoba prides itself in being a member of the Canadian family. Please join me in wishing my home province a happy 125th birthday. Welcome to Manitoba.

* * *

NATIONAL NURSES WEEK

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am wearing a pin to honour Canada's 263,000 registered nurses during this, National Nurses Week. This year's

theme, "Your Families' Health—Nurses Make the Difference", will allow us to focus on the valuable contribution nurses make to the overall health of Canadians.

Nurses play a vital role in providing care and support for families while assisting them in making meaningful choices during challenging times. As well, nurses provide information and assistance in health promotion, illness prevention and during periods of illness and recovery.

I have spent 30 years in the public health field. I know firsthand the important role nurses play. I am therefore honoured to rise today to offer my thanks to all those individuals who chose nursing as a career. Through their efforts they truly make a positive impact on the health of Canadians.

* * *

V–E DAY

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, 50 years have passed since the allied victory in Europe. That victory was, as we know by our cost, hard fought and dearly paid for. Canadians, united in the struggle for a better world, fought shoulder to shoulder with their brothers in arms to bring freedom and peace to Europe, almost broken on the wheel of war.

In my constituency of Huron—Bruce we have a strong Dutch community. Its people are proud to be Canadian and their energetic contribution to our community is a continuing and valued one.

They say, as we must echo, those years of horror must never be allowed to return. I know I speak for all of us when I say we must never forget what price was paid for freedom 50 years ago. In remembrance and in gratitude to those who gave all that was theirs to give, let us dedicate ourselves to working toward a better world for ourselves and those who follow us so that the sacrifice of those who have gone before may not have been in vain.

* * *

[*Translation*]

MINISTER OF LABOUR

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, desperately in need of francophone spokespersons for federalism in Quebec, the federal Liberals recruited a former minister from the Bourassa and Johnson governments.

Not even six months after her recruitment, the Minister of Labour has already done a brilliant job of assimilating the credo of the proponents of very centralized, orthodox federalism.

Yesterday, she abandoned Quebec's minimum demand, recognition as a distinct society. In the same breath, she forgot all of the years she spent defending the five minimum conditions set in Meech, promoting the Allaire report and fighting the federal government's infringement on areas of provincial jurisdiction as a member of the Liberal Party in Quebec.

• (1405)

It is regrettable that the Minister of Labour's political ambitions have made her betray the convictions she had up until her arrival in Ottawa.

* * *

[*English*]

JOHN BLACK AIRD

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, Ontario and indeed all of Canada has lost a distinguished and dedicated Canadian with the passing of John Black Aird.

Mr. Aird served his country extremely well in several ways over a number of years. During the war he served as a lieutenant in the Canadian navy. After serving in the Senate for 10 years, from 1964 to 1974, he served as Lieutenant Governor of Ontario from 1980 to 1985. In both of these positions he gained the respect and admiration of all those he worked with.

His caring and concern for Canadians was vividly demonstrated when as lieutenant governor he devoted much of his time to helping the disabled.

John Black Aird served his country well; a fine role model to all who hold public office. Canada has lost a statesman and we share this loss with his family.

Some hon. members: Hear, hear.

* * *

MEMBERS OF PARLIAMENT PENSIONS

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I offer my congratulations to the Saskatchewan NDP government for its initiative on capping MLA pensions and abolishing the premier's pension bonus.

The Saskatchewan NDP has set an example for the Liberal government to follow. I challenge the Liberals to abolish the special bonus pension for the Prime Minister which totals $50,000.

The Saskatchewan NDP has proven its commitment to fiscal responsibility and fairness with a money purchase pension plan for MLAs that has been in place for 16 years.

Unfortunately the Liberal government did the absolute minimum in addressing the concerns of Canadians with respect to MP pensions. The government did just enough to make the pension issue go away. However, it is an improvement over the Reform Party idea of doubling MP salaries.

Unlike the Reform Party, New Democrats have respected the concerns of taxpayers by keeping both salaries and pensions in check. This is an issue on which the Reformers and Liberals

come together in their race to the trough. They are taking different routes but end up in the same place.

* * *

CANADIAN BROADCASTING CORPORATION

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, I offer sincere congratulations to the CBC on its coverage of the Victory in Europe celebrations.

I am sure members from both sides of the House will join me in praising the CBC for its reporting of these important events, including eight hours of broadcasting on the main television service during prime time.

[*Translation*]

I would like to congratulate the employees of the CBC for this coverage, which will benefit not only those who lived through those war time horrors, but also future generations who will want to remember the sacrifices their ancestors made.

[*English*]

I am confident all Canadians are proud of the men and women who contributed so courageously to that victory 50 years ago and also applaud the men and women who ensure those actions live in our memories.

We will not forget those men and women as well as their sacrifices due in part to the work of our national public broadcaster in bringing these once in a lifetime celebrations to the attention of our citizens.

* * *

GRANDPARENTS

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, last week when the House passed the motion by the member for Mission—Coquitlam, we together affirmed that we regard the opinions of grandparents regarding the welfare of their grandchildren as important. I hope we assign the same importance to their opinions when they speak on the issues of the day.

This morning a small group of grandparents gathered outside the Centre Block to express their views on gun control and Bill C–68. In costumes they sang humorous songs in support of gun registration which they see as an integral part of civic responsibility. It was the Ottawa chapter of the "Raging Grannies", a nationwide group of grandmothers advocating world peace. Its members see our legislation as a logical next step in their efforts to ensure a safer social environment for their grandchildren.

We all understand the special love and dedication grandparents have for their grandchildren. We recognized it last week. We would do well to heed their advice on all issues which affect the welfare of children.

• (1410)

As a mother and grandmother I welcome and support the participation of the "Raging Grannies"—

The Speaker: The hon. member for Niagara Falls.

* * *

NIAGARA FALLS

Mr. Gary Pillitteri (Niagara Falls, Lib.): Mr. Speaker, this weekend Niagara Falls celebrates the 36th anniversary of the blossom festival parade.

The tender fruit lands of Ontario delight us with the beauty of their blossoms. Its industry, which contributes to our economy, is also the source of 15,000 jobs.

A severe crisis is facing the industry. Its survival may well depend on the implementation of the strategic plan completed by the working group on December 19, 1994. Because of escalating labour costs, tariff cutbacks under the free trade agreement and the deregulation of the industry, growers are experiencing heavy ongoing losses.

Imports control prices so growers cannot recover cost increases from the market and the lands are frozen for agricultural purposes.

The recommendations contained in the revitalization plan may provide workable solutions to the problem.

* * *

[*Translation*]

MINISTER OF LABOUR

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, yesterday the Minister of Labour dismissed out of hand the modest constitutional demands of the president of the No camp in Quebec, Mr. Daniel Johnson.

When asked to comment on Mr. Johnson's remarks that some day, Canada would recognize Quebec's national identity, which in political terms would translate into new powers, the minister answered as follows: "We will see what that means. This is very difficult. Do not ask me to comment. I do not even know what he is talking about".

After criticizing the federal government's policies on education, health and manpower training, after urging the rest of Canada to recognize Quebec as a distinct society, the minister has now become the apostle of quiet resignation. Instead of representing Quebec in Ottawa, the Minister of Labour willingly echoes the federal position in Quebec.

* * *

[*English*]

WESTRAY MINE

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I rise in the House today to mark the third anniversary of the Westray mine disaster.

The tragedy claimed the lives of 26 miners and plunged the community of Plymouth, Nova Scotia into a state of grief. Sadly in many ways the healing process will not begin until an ongoing public inquiry has done its work and miners' families have answers to the most basic questions—why?

As a guest in the riding of Central Nova last summer I was struck by the enormous sense of community and warmth among the people who had to bear this tragedy. The fact that hazards of mining are well recognized does not make the tragedy any easier to bear.

It follows that today our sympathy should be with the miners' families and the community as they commemorate those who died. We should also recognize the courage of not only those who labour far beneath the earth's surface but of those who risked their lives in an effort to rescue the survivors of the blast.

I take this opportunity to pay tribute to the victims of the Westray disaster, the families and the community still mourning the 26 men who lost their lives underground.

* * *

HEALTH CARE

Mr. John Maloney (Erie, Lib.): Mr. Speaker, our health care system is one of Canada's proudest and most envied achievements. Every Canadian has a right to receive the care he or she needs when sick, regardless of personal circumstances. It is an affirmation of Canada's commitment to human dignity.

The constituents of Erie were concerned about the future of the health care system. Unlike Bob Rae's government, the Ontario Liberals have a plan to protect the province's health care system.

I am pleased to see that today Ontario Liberal Lyn McLeod announced her vision of health care for the province, including the establishment of a health research and development council, a call–in care pilot project, expanded 911 and restoration of health care coverage for out of country emergency services.

Medicare was introduced and developed by a succession of Liberal governments, providing a tangible example of the commitment of all Liberals to compassionate public policy.

The government also has plans for the well–being of Canadians. We will not withdraw from or abandon the health care field. We will not accept the notion of a two tier health care system, one for the rich and one for the poor, one for the advantaged provinces and one for less advantaged provinces.

Thanks to the government and the plans of Lyn McLeod's Liberals, Erie constituents can put their fears of a Bob Rae health care system to rest.

• (1415)

HEALTH CARE

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I have learned that Ontario NDP Premier Bob Rae is campaigning today in my riding of Lambton—Middlesex. I imagine Mr. Rae is also continuing with his dialogue of misinformation with respect to federal funding for health and how this is supposedly resulting in hospital cutbacks in long term care and so on.

Let me set the record straight. The federal commitment to medicare in Canada and in Ontario is as strong as ever. Contrary to what Mr. Rae has been spreading, federal EPF health transfers to Ontario have been rising over the term of this government. At the same time the Ontario government has been cutting the amount it spends on health care.

By rolling all transfers into one, the Canada health and social transfer, the federal government is strengthening its ability to enforce the Canada Health Act.

Liberals do not need to take any lessons from Mr. Rae on medicare. After all, Liberals introduced the Canada Health Act in 1984. We have always defended strong and reliable funding of medicare and we always will.

ORAL QUESTION PERIOD

[*Translation*]

TRANSFER PAYMENTS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in its first budget in February 1994, the federal government announced it was cutting an additional $2 billion from its contribution to provincial social programs in 1995–96 and 1996–97. In its second budget, it hit the provinces a second time by offloading its deficit in the form of new cuts that will total $2.5 billion in 1996–97 and $4.5 billion in 1997–98.

My question is directed to the Minister of Finance. Would he confirm that according to the distribution formula for the Canada social transfer in Bill C–76, the latest budget's additional cuts in transfer payments to the provinces will, next year alone, result in a shortfall of $650 million for Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, next year, I believe the shortfall for Quebec will be about $350 million.

In fact, this amount is well below 2 per cent of Quebec's revenues. If we consider the cuts imposed on other provinces, Quebec has been treated very well.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I challenge the minister to deny what I am going to say, considering what I just said. Under the item "transfer payments to the provinces" Quebec's loss, for this year alone, will be $650 million. That is what was said, Mr. Speaker.

And I would ask the Minister of Finance to confirm that over the next three years, additional cuts announced in his first two budgets will mean, in the case of Quebec, a total shortfall of more than $3 billion in funding for health care, post–secondary education and social assistance.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we have had this debate in the House before. I must say the Leader of the Opposition is just tossing off figures at random. No decision has been made concerning transfer payments for the years after the first year in which cuts will be made. It is quite clear that we are going to negotiate with the provinces and subsequently reach a decision.

Now I would like to ask the Leader of the Opposition the following question: Is he saying this is the way he wants these cuts? That is certainly not how we see it.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I must say I understand why the Minister of Finance is too embarrassed to admit that these figures were taken directly from his own budget.

Some hon. members: Hear, hear.

Mr. Bouchard: I would refer the minister more specifically to page 17 of his budget speech, where he announced that he was prepared to fund social assistance the same way the government funds transfers for health and post–secondary education, in other words, on a per capita basis, as opposed to real need.

Consequently, would the Minister of Finance agree that based on these criteria, the main victim of the cuts in his latest budget will be Quebec, which in 1997–98 will be saddled with 41.7 per cent of the cuts or $1.9 billion, and that this is why he refuses to discuss these cuts publicly within the framework of a federal–provincial conference to be held before the referendum?

• (1420)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, once again, the Leader of the Opposition is creating a problem where none exists, perhaps because he cannot find enough issues to criticize. First of all, I said that I was prepared—and it is my intention—to have a federal–provincial conference with my counterparts, as soon as all provinces have tabled their budgets. The provinces asked us to wait until they had all tabled their budgets.

Second, the Leader of the Opposition is drawing certain conclusions from talks that have yet to be finalized. Yes, we did provide overall figures, but it is clear it will depend on the outcome of the negotiations.

[*English*]

It is beyond belief to hear the Leader of the Opposition. Six provinces have said that they will have to absorb over 217 per cent of the cuts. It is a mathematical impossibility.

What amazes me is not that an individual minister of finance or premier of a province would fall into that trap, but that the Leader of the Opposition would basically say that he has so little faith in the capacity of Quebecers to negotiate on their own behalf that he would concede the argument beforehand. It is the same kind of thing that he has done consistently, that is he has conceded that Quebec cannot make it in Confederation. Let me tell him as a Quebecer that Quebec can make it in Confederation.

Some hon. members: Hear, hear.

* * *

[*Translation*]

CHARLES R. BRONFMAN FOUNDATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

While the francophone and Acadian communities struggle to conserve their rights with exceedingly limited financial resources, we discover that, under the 1994–95 budget, the Minister of Canadian Heritage subsidized the CRB Foundation to the tune of $2 million from official language programs in order to finance a series of historical vignettes to be broadcast on television.

How can the minister justify such a substantial grant—$2 million—to the Bronfman Foundation, which is managed by Tom Axworthy, the brother of the Minister of Human Resources Development, whereas in 1992–93, the last year the public accounts recorded a figure, this organization received only $200,000, or ten times less?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am the Minister of Canadian Heritage and proud to be. I am interested in Canadian heritage. When a group is prepared to help put our heritage in a historical context, I support it. This Bronfman Foundation project is a magnificent one, but clearly of no interest to our colleagues. These vignettes have done a lot of good in teaching people about the history of Quebec and of the rest of Canada.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, while the budget of all the organizations receiving government support has been significantly cut, are we to understand that the more than substantial increase given the Bronf-

man Foundation has to do with the particular lobbying abilities of its officials or with the imminence of the Quebec referendum?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the government's support is based on only one thing: the quality of the product they have put on the screen.

* * *

[*English*]

PENSIONS

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the President of the Treasury Board is one of the chief ministers responsible for fiscal restraint in government. That means one of his jobs is to promote the prudent use of taxpayers' funds among public servants and the recipients of government services.

There is no way the minister can do that effectively while at the same time promoting and defending an obscenely generous pension plan for members of Parliament.

• (1425)

Does the President of the Treasury Board appreciate that for him job one in promoting fiscal responsibility is to kill the Cadillac MP pension plan?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, as I have indicated many times before, the government promised during the election campaign that it would deal with the issues of double dipping and a minimum age for pension.

We have dealt with the commitments, the obligations we have made. We have gone beyond that because we recognize this is a period of fiscal restraint. It is a period of time we need to get our house in order, to get the deficit and the debt down. We have reduced the contribution, the members of Parliament compensation, by some 33 per cent.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, if the minister is going to defend the plan he is going to have to defend the real numbers.

These are the numbers: $2.5 million for the Deputy Prime Minister, $3.1 million for the Minister of Health, $3.6 million for the minister of public works, $3.9 million for the minister of fisheries, $4.5 million for the member for Sherbrooke—

Some hon. members: Oh, oh.

Mr. Manning: These are the numbers that the minister should admit are indefensible.

How can the President of the Treasury Board possibly justify those numbers to taxpayers or to seniors when the finance minister is planning to reduce pensions for ordinary Canadians?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the leader of the Reform Party and his entire party, as we have seen many times in the past when dealing with budgetary issues and pension issues, have a way of extremely exaggerating and taking out of context the figures relevant to compensation.

They sure know how to put forward the Cadillac when it comes to increasing the compensation for members. Over a 50 per cent increase in compensation is what they have suggested while the government is reducing it by some 33 per cent. Over a 130 per cent increase in salaries is what they recommend. That is unconscionable.

The government does not stand for that. The government stands for fiscal restraint.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the principal issue in MP compensation, and everyone in the House knows it, is the MP pension plan. What Canadians would accept as fair in the plan is one where the government matches MP contributions on a one to one basis.

What the minister is trying to justify under pressure from the Deputy Prime Minister and others is a scheme where taxpayers contribute over $3.50 to every $1 that the Liberal fat packers contribute.

Will the minister do the honourable thing? Will he do the prudent thing? Will he do the fiscally responsible thing and bring the MP pension plan into line with those available to other Canadians?

The Speaker: The President of the Treasury Board.

Some hon. members: Hear, hear.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I appreciate the standing ovation for me.

This exercise is about what is fiscally prudent. That is what the government is doing. That is not what the Reform Party is doing.

The bottom line is what it will cost taxpayers. What we are proposing will cost taxpayers less. What they propose will cost taxpayers more.

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[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

At a seminar organized by the Public Policy Forum in March, the Deputy Minister of Human Resources Development, Jean–Jacques Noreau, opened up to the participants, saying that his department's first challenge was to rethink the UI program. He even went as far as to state that it might be necessary to create a new federal–provincial agency, composed of government, business and labour representatives, to administer the UI fund.

• (1430)

Can the Minister of Human Resources Development confirm his deputy minister's statement, and why does he stubbornly refuse to call a meeting of human resources and employment ministers right now so that they can discuss this issue?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, at the present time we are looking very carefully at a wide number of proposals that we received during the public consultations last fall, the report from the House of Commons committee, the special report on seasonal work, and the representations we have received from a number of businesses, communities and union organizations.

We are pulling together all that information to look at what we think would be the best form of arrangements for a new unemployment insurance program. A number of different models are being considered, but no decision has been made yet. There has been no policy established. It is now simply a matter of putting those different proposals together.

As was indicated in the budget speech, we will be presenting a new form of proposals some time in the fall. I hope the hon. member can restrain her impatience until that time. I think she most of all would want us to do the job carefully, with prudence, to make sure that everybody's representation is listened to and responded to.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, is the minister aware that there has been no federal–provincial conference since January 1993, that is to say, since the minister has been in charge of this important portfolio, while the provinces have been hard hit by the decisions made, especially with respect to unemployment insurance?

Far from trying to get out of job training, as demanded by all stakeholders in Quebec, does the minister not intend mainly to make the UI fund bear the costs of training not only the unemployed but also welfare recipients?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I suppose various members could engage in all kinds of idle speculation and put up their pet proposals.

If the hon. member is making a representation today that she thinks we should be using unemployment insurance money for social assistance, we will certainly take that into account. If that is something the hon. member feels strongly about, I would hope she would have the good grace to write it down carefully and give me her arguments and her reasoning. I would be glad to receive any proposals the hon. member would like to make.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, my question is for the Minister of Justice.

In light of the analysis done by the Library of Parliament, which indicates that part of the gun legislation might be challenged in the courts as unconstitutional, is the justice minister as confident as his parliamentary secretary was yesterday in the House that all aspects of Bill C–68 are in fact constitutional?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Yes, Mr. Speaker.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, weekend newspaper reports indicate that the Minister of Justice is considering curbing the enormous powers given to police officers under Bill C–68 to search homes and places.

Are these reports accurate? If so, what prompted the change of heart? Popular opinion or the threat of a court challenge?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, those clippings were drawn to my attention yesterday. My position has not changed from what I expressed to the committee when I testified before the hon. member and his colleagues on that committee on April 24 last.

As for the police powers to search the member should bear in mind that the powers, as he well knows, proposed in Bill C–68 are to inspect, not to search.

Some hon. members: Oh, oh.

Mr. Rock: Mr. Speaker, if we are not to make distinctions in law then what is our function here? These distinctions are very important.

The power is to inspect, which is completely consistent with the approach taken in dozens of other statutes federally and provincially to ensure public safety. Those powers of inspection have been organized and presented in Bill C–68 in a fashion that

has been held on more than one occasion by the Supreme Court of Canada to be both constitutional and appropriate.

* * *

• (1435)

[*Translation*]

OLD AGE PENSIONS

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

According to an information sheet addressed to the staff of the Department of Human Resources Development the government has made decisions regarding reforms to the old age pension system, and I quote: "The amount of old age security benefits will be based on combined family income".

Since it seems that the government has already made this decision, will the Minister of Human Resources Development tell us how much he hopes this measure will save the government?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, no decisions have been made; no policy has been set. Again I would refer the hon. member to the budget in which we indicated we would be putting together a white paper to be tabled in the fall that would set out a series of propositions dealing with the larger issue of aging in society.

The hon. member, who is a student of that problem and is very much engaged in the concerns of senior citizens, would recognize that the situation is changing quite dramatically and that we must take a look at a number of options to ensure that we can continue a base of income security for people in their retirement. Our number one priority is to ensure security for people in their retirement. We will be presenting a number of proposals that I think will meet that objective.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, before the minister rhymes off his automatic reply that the opposition is trying to scare seniors, will he admit that this proposal will erode the financial autonomy for which women fought so hard, and that it will discriminate against them?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would be very glad to answer that if I knew what proposal he was talking about. There is no proposal presented.

I just told the hon. member we will be presenting a white paper with a number of propositions this fall. At that time, if the hon. member wants to raise questions about it, certainly we would welcome any representation. However, to try to state that there is already a proposition in place upon which he would like an answer, yes or no, it is impossible until I know what proposition the hon. member is talking about.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, a few years ago CSIS recruited a young man by the name of Luke Desilets to spy on the Aryan Nations. Unfortunately, since last spring he has accepted the Aryan Nations' philosophy and renounced his former ties to CSIS. Apparently Luke now spends his time travelling between Aryan Nation compounds throughout the United States while his parents wonder if their son will ever be normal again.

I ask the Solicitor General: Are he and CSIS prepared to take any responsibility for the state of this young man's life?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am not in a position to confirm the hon. member's assertions. In any event, as the hon. member well knows, it is not the practice to confirm or deny whether somebody may or may not have been a source for CSIS.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I think Canadians would feel a whole lot better and have more confidence in the government if they would spend less time using national security to defend their mistakes and rather guarded secrets.

Charles Scott is a self–styled colonel in the Aryan Nations in B.C. Like many of those in the white supremacist movement, he found himself often lacking the financial resources to spread his message of hate. But once the CSIS source showed up, Scott's financial problems appeared to end. It seems that Luke even provided Scott with $1,000 so he could attend the Aryan Nations congress in Idaho last year.

Is this another example of CSIS funding the groups it is supposed to be monitoring?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member is stating certain assertions that appeared in the press as fact. I am not in a position to confirm whether or not that is the case. It is not a matter of hiding behind national security; it is respecting the law passed by this Parliament. I would suggest the hon. member show a willingness to do the same.

[*Translation*]

CRIMINAL CODE

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice.

There is a serious flaw in the Criminal Code. A justice may order a suspect or an accused person to undergo a DNA test. However, once the test is completed, the results are inadmissible in the trial, even in matters of sexual assault or murder.

• (1440)

In the light of the murder of Tara Manning, would the Minister of Justice tell us whether he intends to act diligently and quickly introduce amendments to the Criminal Code in order to fill the legal void concerning the admissibility of the results of DNA tests as evidence?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member raises an important point. I met two weeks ago with the father of Tara Manning and spoke to him about the tragedy his family had suffered because of her murder and about the need for changes in the law to provide, as the hon. member has said, for the collection and use of evidence that will help in the detection and prosecution of such crimes.

We have just completed a consultation with respect to this issue. We are reviewing the results now. I can tell the hon. member that it is my intention to present legislation in the House that will amend the code to provide for the taking of bodily samples with a search warrant for the purpose of determining the DNA of an accused person and for the creation of data banks whereby such samples can be stored and to which resort may be made in future investigations.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, is the minister aware that, by delaying such an amendment to the Criminal Code until the fall, most likely, he will enable people accused of violent crimes to go free for lack of evidence? What is the minister waiting for in order to act quickly?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, that is not entirely right. The courts for the last seven years in Canada have been receiving DNA evidence as proof. It has been used by authorities to establish the guilt and from time to time the innocence of people implicated in alleged crimes.

At present, the use of DNA samples is limited to those circumstances in which it is found and where the court determines that its use is consistent with principles of justice.

Our intended changes would broaden the use, both of the taking of samples to put it on a regular lawful basis and allowing the authorities to stockpile it to have a bank available for reference in future investigations.

* * *

EMPLOYMENT

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

My riding in northern Manitoba suffers from the highest unemployment, up to 90 per cent in some communities. The services provided by the Canada employment centre in Thompson and its satellite offices are absolutely essential.

Could the minister assure my constituents that the reorganization of his department will not cut human resources services in northern Manitoba?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am certainly conscious of the very severe unemployment situation in the hon. member's riding. It is probably the most serious in the country.

I can assure the hon. member that the Pathways budget, which provides services to aboriginal and First Nations peoples, has been maintained at the same level this year. At the same time we are endeavouring to retain the outreach services so that those services can be maintained in the remote communities.

Let me say something that applies not just to the hon. member but to all members. We are reorganizing the department, but I made it very clear that the guidelines must be that any reduction come from the overhead of the department, not from direct services to clients, so that we have much better control and discretion of decision at the local level. Decisions will be made to tailor programs at the local level and maintain clear accessibility for all citizens of Canada so they can get proper services to get back to work.

* * *

SOMALIA COMMISSION

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the information commissioner says that the Somalia commission does not have the power to bypass the Access to Information Act or the Privacy Act and the government cannot bend the rules to meet commission concerns. Further, the Minister of National Defence in his recent news release says that all information requests will be processed according to the two acts.

• (1445)

Given that national defence is notorious for its lack of respect for processing access requests, can the Deputy Prime Minister please explain what this policy will mean to all of us?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the policy, as the member indicated, was self-explanatory in the news release issued by the Department of National Defence on Friday last which states: "All access to information requests will continue to be processed in accordance with the Access to Information Act and the Privacy Act". That coincides with the opinion expressed by Mr. Grace.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the information commissioner also says that the access act is a law of Parliament and you cannot just opt out of it because you find it inconvenient.

Will the Deputy Prime Minister assure the House, because we are sincerely worried about this, that requests will not be denied just because it is a matter of inconvenience or the commission says so?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think the news release issued by the Department of National Defence makes it very clear that in fact according to the law, all access to information requests will continue to be processed in accordance with the Access to Information Act and the Privacy Act. I do not think the department could make it any clearer.

* * *

[*Translation*]

BOVINE SOMATOTROPIN

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is directed to the Minister of Health.

On December 8, 1994, in response to questions from the official opposition about the conflict of interest created by Mr. Ritter's position with the Bureau of Veterinary Drugs at Health Canada, and his activities as a lobbyist for pharmaceutical companies seeking approval of the growth hormone, bovine somatotropin, the Minister of Health told us she would make inquiries and give us a report.

Could the minister indicate whether upon investigation, Mr. Ritter's conduct was found to be in accordance with the government's conflict of interest guidelines and could she table in the House the report prepared by her department?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we announced Health Canada's position with respect to Mr. Ritter. I have nothing to add at this point.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the minister's answer is not really satisfactory. I asked if inquiries had been made and if the report was ready, because on December 8, 1994, she said in the House that she would make inquiries and give us a report.

Does the minister intend to take steps to ensure that there are no recurrences of unacceptable situations like this one at Health Canada?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, as I said just now, I asked the deputy minister to make inquiries. She did so. We made an announcement, and at this point, we have nothing to add. I have nothing more to say.

* * *

[*English*]

GOVERNMENT CONTRACTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my question is for the minister of public works.

After cancelling the lease on a 37 square metre office in St. John's used primarily by the minister of fisheries, the government entered a five year deal on 348 square metres with a great view of the narrows.

Since the minister of public works has seen fit to spend $87,000 a year on these swanky new digs on top of $170,000 to renovate them to Liberal standards and over $46,000 to lavishly furnish them, could he tell the House whether the minister of fisheries who will be the primary occupant of these new suites had any input of any kind into the decision to move to these new offices?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I thank the hon. member for his question. The answer is no.

Mr. Randy White (Fraser Valley West, Ref.): At least I got something out of the minister in the last couple of weeks. No is better than nothing at all.

On April 25 the secretary of state for fisheries stated in this House: "The St. John's offices were moved to another building according to standard procedure which requires a call for tenders".

• (1450)

My question is for the secretary of state for fisheries. Since the *Evening Telegram* in St. John's now reports it indeed was not tendered, why did he indicate to the House that it was tendered? Which version of the truth is the truth?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I do not have all the details available about which the hon. member has asked.

I want to inform the House that the government embarked upon a policy of closing down a good number of ministerial

regional offices across the country. In fact, 11 MROs have been closed at a saving of some $3.5 million to the taxpayers.

The facility in Newfoundland will not only be utilized by the minister responsible for fisheries and oceans, but will also be utilized by all ministers of the crown. It will be utilized by various ministers of state as well as other government representatives who are doing business in a province in which we believe it is very important that we get some economic activity taking place.

* * *

FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, my question is for the secretary of state for fisheries and oceans.

On April 28, 1995 while Canadian fishery officers were conducting a NAFO inspection on the Spanish vessel *Mayi Cuatro*, the vessel dropped its net. The net has been recovered and both Canadian and EU inspectors confirm that the net contained an illegal liner.

Can the secretary of state tell Newfoundlanders and all Canadians what further action the government is taking to stop this kind of violation of NAFO regulations?

[*Translation*]

Hon. Fernand Robichaud (Secretary of State (Agriculture and Agri-Food, Fisheries and Oceans), Lib.): Mr. Speaker, I would like to thank my colleague for her incessant interest in fisheries.

[*English*]

On April 28 Canadian officers issued a NAFO citation to the master of the *Mayi Cuatro*. On May 8 EU inspectors boarded the *Mayi Cuatro* and sealed the fish hold. We have received word that the Spanish vessel has been ordered to cease its fishing activity and return immediately to Spain. These are very positive developments which indicate a clear willingness by the EU to take immediate and decisive action to meet the terms of the Canada–EU agreement.

* * *

[*Translation*]

SHIPPING

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of the Environment.

In September 1994, at the 12th conference of the International Maritime Pilots' Association in Vancouver, the Minister of the Environment said the following:

[*English*]

"I am happy that IMPA is constantly striving to optimize the latest aids to navigation, thus improving safety. Even the most modern equipment will not replace the human element, but will add to the tools available to the pilot".

[*Translation*]

Since the Standing Committee on Transport recommends substantially reducing the requirements for pilotage in Canadian waters, does the minister intend to convince her colleague at Transport to reject the committee's recommendations, which increase considerably the risks of an environmental catastrophe like that created by the *Exxon Valdez*?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, obviously, the government will examine the recommendations of the Standing Committee on Transport and I hope that we will get some suggestions from the people we will be consulting with across Canada during the process which has already begun in the east.

It is regrettable that the hon. member who raised the question today did not seize the opportunity to propose suggestions which could have been of interest to the committee. He preferred instead to raise questions of the kind we just heard, which do not really help to resolve the problems with pilotage on the St. Lawrence and elsewhere.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, is the Minister of Transport aware, does he realize that a reduction in pilotage activities will cause a directly proportional increase in the risk of maritime accidents or ecological disasters?

• (1455)

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the whole question of pilotage, the St. Lawrence authority as well as any other pilotage authority operating in the country is subject to change. The transport committee, which looked at the question, has made some recommendations. We are going to continue to study it and we look forward to recommendations from the hon. member.

One thing we have insisted on throughout this review of the responsibilities of Transport Canada is that we will continue to exercise our fiduciary responsibility for safety and security. That includes how we deal with pilotage authorities.

* * *

PORT OF BELLEDUNE

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, in mid–April the Minister of Transport pledged not one cent of federal money would go into the expansion of the port of Belledune in New Brunswick. Now we find out that in addition to the colossal $20 million loan, the expansion project will also

receive an outright grant of $6 million including a grant of $1.5 million from the Ministry of Transport itself. This expansion comes at a time when the New Brunswick ports of Miramichi, Bathurst and Dalhousie are on the verge of closing down due to overcapacity in east coast ports.

Given that no private sector investors have been found for the Belledune project and other ports in New Brunswick are capable of handling the expanded capacity being planned, why has the minister had this sudden $6 million change of heart? Where are the so–called sound business decisions he says are so evident?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the question put by the hon. member is riddled with misstatements. On the basis of what he has said, he does not even understand what is happening at Belledune.

One thing he did say is that the port of Bathurst, one that he says will be affected, is in my constituency. We are aware of the need to rationalize ports.

The port of Belledune has participation from the province of New Brunswick and the municipalities surrounding the port of Belledune. We believe it is a step in the right direction.

I ask the hon. member to point to other examples anywhere in Canada where municipalities, provincial governments, the private sector and the federal government are prepared to spend money on port expansion.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, it is very convenient when the federal government says to spend money on this or get nothing at all in what it decides.

The minority report produced by the Reform Party on federal port reform makes it very clear that subsidies are not the way to go in the port industry. They only end up causing excessive dependence on the public purse when the people of Atlantic Canada are really looking for economic self–sufficiency.

Will the minister explain to the House how Atlantic Canada will ever reach economic self–sufficiency if the government continues to fund unviable ports like Belledune so that it can compete for the revenues of the viable ports?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member has a very odd way of approaching this. He has mentioned the port of Chatham, the port of Dalhousie, the port of Bathurst, the port of Belledune. He probably knows there are a few other ports in New Brunswick.

What we have said as a policy is that in New Brunswick there will be two ports, the major port at Saint John which is a very important international port and a port at Belledune that was built in the late 1950s and early 1960s to handle Brunswick Mines which happen to be there. It is there because NB Power has a thermal generating plant that happened to be built at Belledune.

If the hon. member had thought about what he was saying, he would understand that rather than have a half a dozen ports that need subsidies of all kinds to continue to operate, we will wind up in New Brunswick with two viable ports, one at Saint John and one at Belledune.

* * *

TRANSPORT

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Transport.

Last week the Minister of Transport called some of his department's plans to automate and privatize air navigation systems a mess. I agree with the minister.

There are increasing concerns about the automated weather system, the number of layoffs in 26 airports, emergency fire response, and the Transport Canada project to install automated aircraft and control systems over budget. Surely in the interests of public safety the minister should respond to the airlines, the pilots, the consumers and call an independent public inquiry in his government's policy to privatize and automate air navigation systems.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, again the Reform and the NDP must be drinking from the same cup of coffee.

The problem with CAATS which was raised by my hon. friend last week with respect to the overspending is as a result of the system that is in place now. The problem with AWOS is as a result of the system that is in now place.

If there ever was justification to go to the commercialization of the air navigation system where there are the deliverers of the service, the users of the service, and the people who pay for the service sitting at the table as the operators of ANS, the question that was just asked by the hon. member is the best rationale for all of that to be done.

• (1500)

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my supplementary question is for the Minister of Transport.

The minister will agree there is grave concern about the AWOS. He will know there are two investigations now of crashes where the AWOS is implicated. His department is going ahead with the AWOS. I have been to briefings by Transport Canada on this system. It is unproven technology.

It is time for an independent, public inquiry into this automation system and its commercialization. Will he not do it?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I agree with the hon. member that the AWOS has a number of flaws in it. We have recognized that and have taken steps to correct it. We are responding to the concerns she has expressed on behalf of the industry.

However, AWOs was designed in the current environment. CAATS was designed in the current environment. There are problems with both of those systems but she does not want us to change the system. She wants us to continue a system that has produced these kinds of problems. It does not make any sense.

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NATIONAL DEFENCE

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, my question is for the parliamentary secretary to the minister of defence.

It was recently reported that two members of the Maisonneuve Regiment in Montreal were associating with racist organizations. Can the parliamentary secretary tell the House what is being done about racism in the armed forces? What is the minister doing to prevent racists from joining?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for a timely question.

I want to inform him and the House there are three things with respect to existing members. First, following the events in Somalia, procedures were implemented that strictly indicated a zero tolerance toward racism in the Canadian forces.

Second, the chief of the defence staff issued to all units in August 1993 a policy to that effect.

Third, the existing commanders have been directed by the chief of the defence staff to complement their present training systems with sensitized training in the area of anti–racism.

With respect to those joining, new procedures have been implemented in which all recruiting units are required to read the policy to new enrollees and make sure they understand them. If they do not agree they are not allowed to join the Canadian forces.

* * *

PRESENCE IN GALLERY

The Speaker: I wish to draw to members' attention the presence in the gallery of the Hon. Doug Phillips, Minister of Justice, Yukon Territory.

Some hon. members: Hear, hear.

[*Translation*]

POINTS OF ORDER

ORAL QUESTION PERIOD

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, it seems that when I finished my question, there was a breach of decorum in this House when the hon. member for Bonaventure—Îles–de–la–Madeleine shouted "traitor". This was heard at the Table and by several members.

I would ask you to refer to the Table to confirm whether that was indeed the case and to ask the hon. member immediately to make amends for this breach of decorum, because this use of the word "traitor" reflects on the legitimacy of my right to sit in this House.

The Speaker: My dear colleague, I myself did not hear the term used. The hon. member in question is here in the House, and I will give him the floor.

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General, Lib.): Mr. Speaker, yes, the debate in Quebec is getting under way, and it is true we have been hearing all kinds of comments from the opposition these last few months about federalist forces, Liberals, and members lawfully elected in Quebec.

I admit I did use the term, but not in speaking to the hon. member. I agree that in the heat of debate, people say certain things. I certainly do apologize for using this term here in the House.

The Speaker: I accept your apologies on behalf of the House of Commons.

I believe there is another point of order. The government whip.

[*English*]

QUESTION PERIOD

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I call again to the Speaker's attention an issue that occurred today as well as one day last week in the House of Commons. It is the rule or the citation of Beauchesne's and the customs of this House with regard to anticipating orders of the day.

• (1505)

Mr. Speaker, you will know that under the heading "Oral Questions" in Beauchesne's 6th edition, citation 410 states:

> In 1986 the Speaker put forth further views in light of more recent conditions and precedents.

This was with regard to what could and could not be asked in question period. I refer to paragraph (14) of citation 410 which states:

> Questions should not anticipate an Order of the Day although this does not apply to the budget process.

When members refer to bills that are before the House, unless those bills are part of the budget process, they should not be raised at question period if they are the subject of the debate that day in the House.

Not only are we talking about an issue which is listed on today's Projected Order of Business as being before the House, we are in fact talking about a bill that was the subject of discussion in the House only 15 or 20 minutes before it was raised by the hon. leader of the Reform Party.

Therefore, it is my submission that not only would it be a breach if members raised something which is on today's Projected Order of Business, but it is even more true when the debate was the subject immediately prior to question period and the House is reasonably aware that it will be the debate before the House immediately after question period.

Therefore, I submit that this kind of question is out of order. I ask the Chair to rule it that way in the future.

I also want to ask the Speaker about the rule of anticipation generally. Citation 512 of Beauchesne's states:

> (2) The rule against anticipation is that a matter must not be anticipated if it is contained in a more effective form of proceeding than the proceeding by which it is sought to be anticipated, but it may be anticipated if it is contained in an equally or less effective form.

This is in reference to a 1936 application of that rule which basically states that if there is a more effective method of raising something it should not then be anticipated in this way.

I want to conclude by suggesting respectfully to the Chair that when a subject is discussed in debate immediately prior and immediately after question period, to raise it during question period under the pretence that it is not anticipating an Order of the Day is a flagrant abuse of the customs and traditions of the House.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, this matter came up a couple of days ago and we responded to the allegation at that time. The question was very broadly based. It did not deal specifically with the legislation. Today it was obvious that the leader of the Reform Party was addressing his question to the minister responsible for the Treasury Board in relation to how he justified this on the one hand versus what he was doing with the civil service and general belt tightening on the other hand.

Therefore, it was a very broadly based question purposely crafted so it would not be in conflict with the standing orders. Mr. Speaker, I ask you to rule in that respect.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the submissions made by the hon. member for Kindersley—Lloydminster only bolster the point made by the chief government whip. The three questions we are saying were out of order were directed to the minister responsible for the bill that is being debated in the House all day today.

Therefore, for the hon. member to suggest that by somehow asking the President of the Treasury Board about his own bill the question is in order is utter rubbish. Those questions were out of order. It was as plain as plain could be.

• (1510)

I invite Your Honour when future questions arise concerning matters that are before the House for discussion on Orders of the Day to apply the strictures contained in Beauchesne, citations 409 and 410, both of which I quoted to the House in my remarks last Thursday when the member for Beaver River did precisely the same thing.

The citations in Beauchesne are intended to be mandatory guidelines directed to the order of question period. If the guidelines contained in Beauchesne are not going to be enforced and accepted by members, then the only solution is to change the standing orders of the House to put mandatory guidelines in them that then will be enforced.

I do not prefer that option and I am sure you do not, Mr. Speaker. There are times when we do not need to have hard and fast rules, when it is better to have guidelines which these are. They are guidelines. Consistent breaching of guidelines by using question period to further the debate on government legislation is improper. It has been condemned by Beauchesne. It is against the guideline in Beauchesne. It has been condemned by previous committees that have helped establish these guidelines in consultation with the Speaker.

In my submission the hon. member for Calgary Southwest should be embarrassed that he asked those questions today. I invite Your Honour in future to rule such questions out of order.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, it is on the same point of order.

The matter that was raised in question period is about an issue that is very topical. The subject matter is of great interest to all Canadians. No reference was made to any specific issue that is being debated in the House. We cleared this matter with the people we are supposed to clear these matters with to get proper guidance and proper assurance that we are following the procedures.

This is nothing more than two bookworms whining and complaining about this issue.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I just want to say briefly that after I heard these interventions, it would seem to me that they are not being critical of my leader or

anyone who raised this question, but in fact they are calling your judgment into question. I think that is reprehensible.

The Speaker: The Chair takes no offence when points of order are raised in the House. I like to get advice from both sides so that we can see what is the lay of the land.

As to the remark from the hon. member for Beaver River, with all respect to her, I want her to know that I take no offence at these points of order being raised.

When this was raised last week I mentioned to hon. members that sometimes we are skirting the rules very closely. At that time I asked all hon. members give enough latitude to the Chair so we could have the normal give and take that occurs in question period.

It is true when we are debating a certain bill, I as your Speaker listen very closely both to the questions and to the answers. I have to wait until a question is asked to know whether I am going to make a ruling on it being in order or out of order.

I asked hon. members last week to please give your Speaker enough latitude to be able to conduct these question and answer periods for the benefit of the House. I thank both members of the government party for their interventions and all three interveners for the Reform Party. What sets questions up, and you know this and I know it, is the preamble. I have given all latitude to members asking questions and even in the responses I have allowed ministers and responders—

• (1515)

Some hon. members: Oh, oh.

The Speaker: Please colleagues, I am trying to explain this for all of us. I give as much latitude as I can so that we can get at the facts, whatever they are.

If in my opinion a matter does not refer directly to the bill, if I feel it is in a general enough area, I will permit the question. I caution all hon. members that when we are crafting our questions it is incumbent that, if I might say with all respect, the Chair should be reasonably comfortable that the question is indeed in order. The more your Speaker is pushed to the line, the more likely he is to intervene on the questions.

I appeal to all hon. members in the crafting of the questions to please, if we have a bill being debated on that day, to consider that the questions be general enough in nature, which I judged them to be today, so that the questions can be asked. If you push your Speaker too close to the line, then of course I will intervene, as I have in the past.

All that to say that the points are well taken on this side. The points are well founded. The points made on the other side are equally good in the sense that they give a balance to the Chair as to where we are going. With your continued support I will see to it that the question period is conducted in a civilized manner with respect on both sides and all members are carrying out their responsibilities in the way they should.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, this just arose while we were listening.

The whip hollered across: "You should be ashamed, but then again you probably do not know shame". I ask him to withdraw that. Perhaps that would help clean up the level of debate. He said it, he knows it. Perhaps you could ask him to withdraw it.

The Speaker: Colleagues, I did not hear that.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I will gladly admit to saying it and I will withdraw it, but it is not out of order.

The Speaker: We have a withdrawal. Remember, tomorrow is Wednesday.

GOVERNMENT ORDERS

[*English*]

MEMBERSOFPARLIAMENTRETIRINGALLOWANCES ACT

The House resumed consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee; and on the motion that the question be now put.

The Deputy Speaker: The hon. member has six minutes remaining in his intervention.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I will reflect on the position I took in my town hall meetings. I signed a document in front of my constituents saying that I would not accept the current MP pension. Those witnesses signed as well. I found that to be a different way to handle this issue rather than a tired old promise about the MP pension plan.

I was lucky enough, and some would not consider it so, to be elected to this position. I went to the department of supply and services my very first day here and said that I did not want to take part in the MP pension plan. I told the young man that I had made a promise to my constituents. The MP pension plan was not fair and I wanted to withdraw from it. He told me I was crazy, that it was a lot of loot. I agreed that it was a lot of loot, but asked how I could withdraw. He told me I could not withdraw. I did not want to participate so I asked him what I should do. He said that the money would be taken from me, but I could sign a document saying that I would not participate in the MP pension plan.

• (1520)

That is what I did. I wrote down that I did not wish to accept the MP pension plan and asked that the contribution not be taken off my paycheque. The young fellow told me that I was the first MP in Canadian history to withdraw from the MP pension plan.

I reflected on his comment that I was crazy, that it was a lot of loot. Why would a sensible person in my position withdraw from the MP pension plan? Am I a bit loony? Am I independently wealthy? Can I say this is insignificant to me?

In my lifetime I have raised seven children on one income. In 25 years of practice in medicine I have saved $80,000 toward my retirement by putting money into RRSPs. That money is the only money I will draw when I retire. I need a pension.

I asked my constituents: Do you think that an MP should get a pension? Universally they said you bet, but all it needs is to be fair. When I asked what they considered to be fair, they simply said: "You put up a buck and we will put up a buck. It goes in the pot and when the pot is empty you are done". That is what Reformers are asking for.

I ask my Liberal colleagues in their caucus meetings to think about the discussion which took place on this issue. New members of Parliament faced people on their doorsteps as I did. There are 100 brand new Liberals who know they are wrong on the MP pension issue.

This is not a partisan issue. It is an issue that reflects integrity. Why has government lost integrity? I have gone over statements that were made over the last 15 years, back to 1976, concerning the budget. "Now that the recovery is well established and private spending is rising, it is equally appropriate these record deficits should recede". That was a statement by Donald Macdonald.

Michael Wilson: "When the government came to office we encountered a debt problem of massive proportions. The buck was passed to us. Well, the buck stops here". On we go to Don Mazankowski: "We will substantially reduce the deficit". All the while the deficit was climbing, going to the ceiling. Finally, we get to the government of today which says exactly the same thing.

Is there integrity in these Chambers? We are told that MPs will be eligible for pension at age 55. I got my calculator out and calculated the average age of MPs in the House. It is 49.4 years. Think of it. We will not have to wait long.

I went home and asked the people in my riding, the butcher in Pincher Creek, the pharmacist in Blairmore, the grain farmer in Vulcan, the housewife in Fort Macleod, the retired doctor in Claresholm, the stockman in Nanton, the nurse in High River, the barber in Okotoks, the teacher in Bragg Creek, the elder on the Siksika Nation: What do you think of the newly reformed pension plan. They replied this pension plan is wrong.

I started my intervention today by saying I wanted to thank the Liberals opposite, and I do. I want to thank them for giving me the opportunity of telling my constituents that if I choose, I can run in Macleod for the rest of my days on this issue alone. I have been given the platform that tells people there is integrity in some parts of the House of Commons.

As I did for the pension plan when I arrived, I will be withdrawing my name from this pension plan, as will my colleagues. I wish to say loudly and clearly to the House that I would like a fair pension. I would like to be able to look my constituents in the eye and say: "You put up a dollar for me and I will put up a dollar which will go toward my retirement". That is fair, that is just, that is equitable, that is proper. I will not take this pension plan.

• (1525)

In every forum, think of it for the next election. Line up the candidates and ask whether they will take the MP pension plan. As was said when I campaigned: "Oh, no". There is a group who will not take this pension plan but will reform it. How will they reform it? With 100 more Reformers here, a transmission across the floor and then the MP pension plan will be reformed and reformed properly.

Once again, thanks to Liberal strategists, thanks to senior cabinet ministers, thanks to the class of '88, thanks to all those who did not listen to the new Liberals, thanks to the old time politicians and thanks to the Bloc for making Reformers the only individuals in this Parliament with integrity on this issue. Thank you very much.

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, on questions and comments, I share something in common with the previous speaker. Having served more than 15 years in this House, the legislation before us does not affect me either. It does not affect him because he has not earned a pension. It does not affect me because I have already earned one and this law is not retroactive and does not take away property and contributions we have already acquired.

I note with some interest that his constituents have told him they will accept a pension plan where the government adds one dollar, as the employer I suppose, to every dollar that MPs put into the pension plan. I have done some of the calculations.

In my own case over 15 years, had the government contributed dollar for dollar to my contributions and had we been able to earn the kind of interest that is available through RRSPs, the accumulated value of those funds at 8 per cent would have been more than enough for me to have taken the equivalent to what I

am going to be getting if and when I retire at the maximum amount forever. When I died my estate would still get the bulk of the money.

That is with the kind of contributions that were made in the past 15 or 16 years. The only difference is that the government has not been contributing one dollar each year. Its contributions have had to come willy–nilly whenever the fund runs dry.

The other factor that most of the public and certainly my friends in the Reform Party seem to be missing is that the program we were all forced into when we became members a long time ago pays for the use of the funds that we have contributed. They go essentially to the government to use and spend as it chooses. At the end of each year, it allocates 4 per cent simple interest for the use of those funds. The funds have not been earning market rates of interest. Our pension deductions have been used to subsidize the operation of government.

Miss Grey: We have to pay tax on the 7 per cent.

Mr. Althouse: Yes and when we start to collect pension afterward, anyone who collects the pension will be paying tax on it as the money comes back. When we pay into the RRSP we do not pay taxes either and that is the other option available.

I understand from the hon. member who just spoke that his constituents told him they would accept a pension where the member puts in a dollar which is matched by the government and is treated like an RRSP. The point I am making to the House is had that option been open to older members such as myself when we came here, we would have such a large fund accumulated that we could take money out at 8 per cent and we would be taking a larger pension than we will now be getting under this fund.

• (1530)

Our pension contributions have been used to subsidize the operations of government, and I think it is not unfair for government in those few cases, when those members retire, to make up for the fact that it got very cheap money at 4 per cent simple interest over all those years of contribution.

I think we are saying virtually the same thing. I am in agreement with the constituents my hon. friend just mentioned. Had we had that option open to us, those of us who have served 15 or more years would have had a bigger pool of money than using the current fund. The proposition he is offering is actually a richer form of supplementing people who have served in the House of Commons than the old system, and there is leftover money in the fund, which becomes the property of the retired member and becomes the property of his heirs and successors after him.

I can understand the proposal that is being put forward by members of the Reform Party. It is a very good proposal, because it leaves long–term members more money and it leaves a fund for their heirs and successors, which the current fund does not.

The Deputy Speaker: I believe that the hon. member for Mackenzie said he was rising on questions and comments. If he did, that would indicate that he thought we were in 20–minute speeches. In fact we are in 10–minute speeches, so the House will treat his questions or comments as being an intervention.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, being a farmer, I always say that a bin of grain is a bin of grain. When I see a pension of $5 million, it is $5 million. It amazes me: one member says that if we only put in a dollar we get it and another member says that if we put in five or six we will get that. What mathematics are correct?

I have known a lot of business people and I have known a lot of farmers, and for some reason I have not been able to find those guys with $5 million pensions. Where are they hiding?

It is a pleasure to address this bill. I also like to remind the members across the way that during the election campaign one of the main issues was that of MP pensions. Canadians clearly voiced their opposition to overly generous pensions. They were seen as yet another example of the greed and the self–serving interests of the government of the day. We heard so much about Mr. Beatty's pension during that time, and a few others, and the Liberals kept reminding us of those pensions. Now they have all of a sudden forgotten about that. Maybe we need another election.

Even when the Liberals realized that their pensions were glorified, they kept harping on them. It reminds me a little of a Fordson Major tractor: when you had to start that thing you had to really turn the crank, because if it was turned halfway it would backfire and break your arm. I think it held the record for broken arms.

When I looked at the recent Manitoba election, there were at least two broken arms on every Liberal. It was the gun registration and the pension plan that left them with a little toehold of Liberal policy in Manitoba. I would like to emphasize that they should remember that taxpayers do have a vote. So far we still have that opportunity.

The bill establishes a minimum age of 55 for eligibility and it eliminates double dipping. Hurray. That is what we wanted. That is a good point, but it does not do the whole job. While the age limit has been increased, the interest on this well funded plan keeps multiplying. When I look at the calculations, I think it is something like a 10 per cent decrease if it is calculated out to the final end.

• (1535)

When I look at some of the people and the cuts they have taken, especially in western Canada, when I look at the WGTA and some of these things, 10 per cent is minimum. I do not know how I am supposed to convince my farmer friends, when 48 per cent of their income is coming from off farm jobs, that we politicians need a $5 million pension. That disturbs me, really.

I heard the previous speaker admonish us to be reasonable and to address issues the way they should be addressed. We keep badgering each other about this pension plan and will not do anything about it. That bothers me.

A 10 per cent cut over all the time that we debated this issue is not enough. When I look at the problems we have in the farm community, when I look at the problems we have in the undernourished children in our schools and certain places, how can I justify this?

It is up to us MPs to finally buckle down and make some decisions. I was very impressed with the students we have had over the last couple of weeks under the forum for young Canadians and how well informed these people are, how they have started looking at the issues of the day. I was impressed by one of the students when she said: "Mr. Hoeppner, we are prepared to take the cuts. We are prepared to take a lower standard of living if you somehow give us the opportunity to get our feet on the ground to do it."

If I look at the situation today, if we do not make those tough decisions and bring that deficit down to zero, these students will not have the opportunity to do what they know they should be doing. It is up to us to give these students that opportunity. If we do not, history will record us as those MPs who did not have the willpower, who did not take the opportunity they had to pass on the torch to future generations so that they could at least do what has to be done.

When I look at the past 25 years of government operations and see $550 billion passed onto the backs of future generations, I am sick when I even think of this pension plan. It is disgusting that we have to debate it even, that we cannot take the necessary steps to make it honest and to make it accountable. If we do not, we will be held accountable. We cannot pass that blame on to anybody else. It is imperative that we make this decision, that we do not pass on criticism continually.

When I heard the hon. member the other day mentioning that we as Reformers were now brainwashing teachers and that students were writing him letters about this gold plated pension plan, I said maybe there is hope. I will take that responsibility for having that effect, if we are creating it. It is a must. It is a must not because we want to be put on a level playing field, but it is a must that we preserve this country. This country is too great to let it hit the wall. I have seen countries that have done it, and I do not want to have the consequences.

When I look today at the Mexican situation, it looked so bright just a year ago and then all of a sudden, because of a few bad political mistakes, boom, it hit the wall. What is happening today? When one looks at Chiapas today, its people are getting restless. I hate to think even of what would happen if they start revolting.

I again urge members in the House to make the decision. Let us not fool around. Let us not badger each other. We know that $5 million for a pension plan is too much today.

• (1540)

In the future, some day when we get the country back to the prosperity it should have, maybe it is attainable. Let the future generations do it because they will have to cope with $5.5 billion of debt, which they had absolutely nothing to do with.

We should give them that opportunity to use their expertise, to use their enthusiasm, and not try to squash that. If we as members in this House do not react to their request, we are going to be recorded in history as being the ones who squashed their incentive, their initiative. I think we deserve to do that much in the House.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I am pleased to rise to speak on the motion before us today to move this bill one further step along the way.

The hon. government whip this morning called for the question to be put in order to move this bill on to committee. I think that is a wonderful idea. When this bill goes to committee, we will be calling witnesses to find out what they think of this bill. If we are to call in interested people regarding this bill, every taxpayer in the country deserves to be heard with their opinion on this bill. Bring them in, bring them all in.

The Reform Party would be quite willing in this particular situation to approve a travel budget for this committee to go right across the country to find out what taxpayers think of this bill. All taxpayers have an interest in this bill, not just the ones around here, not the special interest groups we normally hear from, but the taxpayers, each and every one of them, those who have to squeak by and eke out a meagre income and yet pay taxes for us, as well the rich and the famous who do not mind paying their taxes, but even the small individual Canadians who have to be squeezed by Revenue Canada to get that last nickel out of them.

We have heard how the Minister of National Revenue has said that they are going to be aggressive to ensure that tax collection policies collect the taxes owing. We expect these people to pay the taxes while we sit in the lap of luxury for the rest of lives. These are the people we should be hearing from. They want to be heard.

That is why I think this committee should travel right across the country and stop at every little town, village, and city along the way to find out if there is a consensus for the government's policies it has brought in on this particular bill, if there is a consensus in the country to support what it is trying to do. I very much doubt it. I do not think there is any consensus whatsoever. In fact if there is any consensus it is in total and absolute opposition to this bill introduced by the government.

I think the motion today is quite appropriate, that we move on to the committee stage. Let Canadians speak. Let them be heard. We have talked for days in this House on this particular subject. There has been acrimony and animosity. Let us find out what Canadians, the rank and file, really think about this subject. I am quite sure that they support the Reform Party's position, which is if you want a pension let it be reasonable.

According to the Deputy Prime Minister, we have made such great sacrifices. I said before, show me one person in the House who has been dragged in here kicking and screaming to serve. I do not think there is one, not one. Therefore there is no sacrifice. Everyone who sits in this House is here because they want to be in the House. That is the reality of it all. It is not the idea that we have served so much and we have given so much that we are entitled to live in the lap of luxury at the taxpayer's expense for the rest of our lives. That is not defensible in this day and age. The previous speaker talked about how he would not want this wonderful country to hit the wall. Neither would I. We all know that is a possibility.

• (1545)

We are standing here today debating a bill that will make legislators rich for the rest of their lives. A few weeks ago we debated a budget and looked at the very real consequences and possibilities of the country hitting the wall. Future generations will ask: "Where were they when we hit the wall?" I will tell the House where we are. We are debating how we can keep ourselves rich.

An hon. member: How we can protect ourselves.

Mr. Williams: How we can protect ourselves so that everybody else who has no say in the House except through us will have to depend on the decisions made in the House.

The economy will rise or fall based on the decisions made in the House. We will or will not hit the wall based on the decisions made in the House, but we will look after ourselves. We will be all right, Jack. They will point the finger at us and say: "We elected you to run the country on our behalf. We wanted responsible government. We wanted honest government. We wanted a government that would provide jobs for us, education for us and a future for our children". That is why we are here. What have we done? We brought in Bill C–85 that will let us be rich for the rest of our lives.

This brings to mind a famous French queen who said: "Let them eat cake". We will be eating cake while we expect everybody else to get out there to try to find a job that will pay them an income so that one bread winner can go out to work and the other spouse can stay at home to raise a family. We do not even see that in Canadian any more. Jobs of that kind are few and far between. Yet there are MPs in the House who expect to retire in the lap of luxury and without having to work. Prior to the introduction of the bill there was one member who would have received $70,000–odd a year. I believe that continues to apply in some cases.

At age 55, without having to work, they will be able to live the rest of their lives in the lap of luxury without having to produce a single thing while Canadians will have to work hard, slave hard, do without and pay more taxes for us. I cannot justify it. I do not think any one of my Reform colleagues could justify it. They have spoken one after the other, saying they will not take the pension.

I will not take the pension. I cannot go back to St. Albert, stand before my constituents and say I will opt in, thank you very much, I appreciate the money. When they are in my office saying that they have no jobs, what am I supposed to say?

Mr. Hill (Prince George—Peace River): Let them eat cake.

Mr. Williams: No, I cannot say that because my responsibility is to lead, to govern and to represent the people of St. Albert. I do not think they sent me down here to vote for this kind of largess for myself at their expense.

The last budget told us that 45,000 civil servants with families and children would be laid off. Their careers have come to a full stop. Some of them are young and perhaps can get started again. Some are middle aged and some are looking at retirement not that far away. They say: "I had a career. I worked hard. I made my contribution to the country. I have earned my salary. I have made my pension contributions". The pension they can expect is a lot less than half of what we can expect. They made their pension contributions and all of a sudden the curtain came down and that was the end of it: "Thank you very much. We do not need you any more. You are out on the street and you can look for a job".

• (1550)

Where are the jobs? Where are they? Surely it is the responsibility of the House to provide jobs and they are not there. There will be 45,000 people with families on UI with their self–esteem destroyed and with their careers in tatters and ruins, and we are debating Bill C–85 to make ourselves rich.

I have a very serious problem with Bill C–85. I have a very serious problem with members of the government who stand to say how greatly we have sacrificed and how much we have given to the country. There are tens of thousands of unspoken, unnamed Canadians out there who are giving every bit as much, even more than we are.

The recognition they get is a Canada pension plan that perhaps may not even have any money in it to provide any kind of pension for them when they retire. We are now talking about elevating the age from 65 to 67 while for ourselves it is 55. Surely the double standard should cease. That is what we are saying. The double standard between those who legislate and those who are legislated has to cease. Why do we not start right here with Bill C–85, have it withdrawn completely and bring it back with a reasonable pension?

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it is very interesting to note that virtually the only people speaking to the issue are the people from the Reform Party. It is particularly interesting to note because a debate implies there are two sides: the good side and the bad side or the up side and the down side. In this case it is interesting that virtually none of the Liberal members of Parliament are prepared to stand in an attempt to defend this pension plan.

It is also instructive to take a look at what else is happening in the country in legislatures. I think of the B.C. Liberal leader. I will quickly read a news release that was put out under his name on April 22:

> B.C. Liberal Leader Gordon Campbell announced today that pensions for Members of the Legislature will be eliminated under a B.C. Liberal government.
>
> Campbell said it's time to put an end to the special pension and tax privileges that have traditionally been given to MLAs in British Columbia. "Elected officials should be treated no differently than any other British Columbian when it comes to receiving pension benefits from taxpayers. The MLA pension is not appropriate for a job that is based on an elected term of five years".
>
> "Most people believe MLAs deserve fair and appropriate compensation. To ensure that happens an independent commission should be established", said Campbell. "There should be a single standard for all people of this province with MLAs paying the same taxes and having the same choices as other British Columbians".
>
> Under the current system an MLA can receive a monthly pension if the member has served for seven years or more or has served in more than two Legislative Assemblies. "We don't want to penalize people for running for public office but we also do not believe there should be special perks".

This is interesting because Mr. Campbell is a Liberal. I have always felt that a Liberal is a Liberal is a Liberal. He spoke of the old style Liberal politicians that seem to inhabit this place.

> Campbell said that old style politicians set up systems that have isolated them from the realities that British Columbians face on a daily basis. "That's why B.C. Liberals say no special pensions and no special tax benefits for MLAs".

I wonder what happens when members like the member for Vancouver Quadra or the member for Vancouver Centre or the member for Victoria, a cabinet minister, manage to get across the mountains from British Columbia. Is there a change in the water in Ottawa? Is there a change in the smog in Ottawa? What is it that makes the difference for members who come from Vancouver and Victoria, British Columbia? What happens when they arrive in Ottawa that suddenly they seem to be in absolute total contradiction to the leader of the B.C. Liberal Party or the Leader of the Opposition.

• (1555)

It is not just British Columbians who seem to have this gross failure of understanding, some kind of a short circuit somewhere. It would seem as though the Ontario Liberals, currently seeking a mandate for their members of the provincial Parliament, have seen the light. For some reason it seems to completely elude the comprehension of the people who bear the Liberal stripe and come to the House.

There is a major difference between the federal and Ontario Liberal proposals. The difference is a defined contribution plan versus a defined benefit plan. These people are calling for a defined benefit plan so that the Canadian taxpayer will be on the hook and continue to pay and pay and pay for members no matter what happens. That is a defined benefit plan.

The Ontario Liberals are calling for a defined contribution plan, which is precisely what the federal Reform Party is asking for. We are simply saying that we should be going to a growing industry standard, which is matching dollar for dollar. In a defined benefit plan, if the employer and employee contributions plus plan investment performance do not match the promise made by the employer, the employer has an unfunded pension liability.

That leads me to members who were in the House in a previous Parliament. Some of them are currently in the House. Politicians were telling Canadians that there was no problem, that their porky pension plan was taken care of. Lo and behold, a few years ago Canadians were suddenly told: "Oops, we made a small $110 million mistake. Isn't that too bad? We will make sure we are properly funded. We will just take $110 million for ourselves from general revenues".

Although that was supposed to have resolved the situation, the following year they had to take another number in the tens of millions of dollars from the poor, hard working, overburdened, much shackled taxpayer. This is absolutely unconscionable.

I ask again as I did at the start of my address why it is, if federal Liberals are right and we are wrong, that we have virtually zero participation by Liberal members of the House in

the issue. Why is it that we have put up tens and tens of speakers out of our 52, whereas they have only put up a handful on the issue?

Mr. Hermanson: We are opting out and they are not.

Mr. Abbott: That could be. We are opting out and they are not. Maybe that says something.

There has been a lot of talk about what is fair for an ordinary Canadian to be able to come to the House of Commons. I think of myself as a relatively ordinary Canadian with a mortgage and a couple of used cars. I live off the salary I achieve through my work in the House of Commons. I am not independently wealthy. By opting out, the government has seen to it that I and the rest of the Reform Party members who are to opt out in good conscience will be personally severely disadvantaged financially.

• (1600)

It is punitive. All we are asking in very simple terms is a defined contribution on the part of the employer, namely the people of Canada, a matching of $1 for $1. Instead of that, the government is saying: "Either you come in and share the booty, get in on this $3.50 contribution for every $1 that you put in and become a millionaire at the expense of Canadian taxpayers or you are out without anything. You get no matching funds. You get no matching contribution".

I find it exceptionally ironic that members opposite will frequently speak up and say that we are taking some kind of advantage, that we are trying to take some kind of political gain. This is not a case of political gain. This has to do with a commitment to the Canadian people on the part of Reform politicians that we would listen to them in the same way that the Liberal leader in the province of British Columbia and the Liberal leader in the province of Ontario have clearly listened to the people of their provinces.

Justice must be done in this case. Justice is the exposure of this obscene plan that the Liberals are trying to perpetrate on the people of Canada. Let us take a quick look at how they managed to bring the legislation into the House.

A couple of Fridays ago there was the Progressive Conservative wake in Hull. Knowing that some people would be turning up at that thing, the Liberals chose that day to introduce their legislation. It was a Friday afternoon. If the Liberals really thought this legislation was worthwhile and would be accepted by the Canadian people, why would they try to get it into the House in the quietest possible manner when there might possibly be a diversion across the river?

Mr. Hermanson: They are ashamed of it.

Mr. Abbott: That could be. Maybe they are ashamed of it.

Let us look at the events of last Thursday. We came to the House to debate. Again, there are up sides and down sides. There is good and there is bad. That is what debate is all about.

We rose to speak in the debate. One or two Liberals ended up speaking rather sheepishly about it. Near the end of the day they pulled a bit of a prank. They decided we would be able to debate this all night long if we wanted to. They knew full well that what they were doing—the people of Canada must understand this—was getting the bill into and out of the House so fast it would make a lightning bolt look slow. They wanted to slide the bill through so quickly that there was no way that anybody would see the blur going by.

It makes me think of the little mouse that I had under the seat of my car one time. I could hear a little rustle when I was driving along at night. When I stopped I would still hear the rustling going on. I turned on the light and could see a little brown blur. Then it would disappear.

That is what the Liberals were trying to do with this legislation, get it out of the light of the parliamentary channel, the light of this process so that Canadians would not realize that once again the Liberals had done it to them.

Mr. Milliken: We are giving you all kinds of time to explain.

Mr. Abbott: I will explain it further to the people.

The Reform Party found a procedural way around it and the whip really went rather ballistic on Thursday night. It was something to see.

We are exposing the bill to the Canadian people. I for one would vote for millions of dollars of travel so that the parliamentary committee could take this bill around Canada and expose it to Canadians. The government would then be able to see what the people of Canada really think of this legislation.

• (1605)

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I do not mind admitting that on election night in October 1993 my family and I were thrilled and proud that I would be coming to this place. Now when strangers on aeroplanes ask me the inevitable question: "What do you do?", I usually tell them, quite truthfully, that I am a farmer and a retired engineer. I do not ordinarily mention this aspect of my life unless the conversation turns to politics.

It is not entirely because of the obscene pension plan which we are debating today, although that is certainly a major part of it. I have stated publicly on many occasions that I will never be a party to this daylight robbery, so it is easy to dissociate myself

from the unrestrained greed which is going to be allowed to continue, with minor modifications, if Bill C–85 is passed in its present form.

It is no great honour to participate in a charade. My colleagues and I on both sides of the House know, and the public knows, that what we say about Bill C–85 or any other bill is of little consequence. A dozen or so people make the decisions and all of the debate in the world will not change those decisions.

Whenever I hear an articulate and well researched speech in this place I think: "My God, what a waste". If the argument had been presented at a rural municipal council meeting where the participants, working essentially without remuneration, actually make decisions, the speech would have had great value.

I look around me and I see less than a dozen members. We are outnumbered by the clerks, the stenographers, the translators and the pages who make this place work. Where are the spear carriers? Where is the chorus? They are not here because they know that their presence is not required. Three times during debate on this bill there have been quorum calls. The reason is clear.

Hon. members on both sides of the House know that it does not really matter what we do about it here or what we say about it here. Even if government backbenchers and members of the opposition were here in great numbers, the ministers, the people who we might wish to influence, are almost never here except for question period. Then we ask them questions which we know will not be answered and the ministers do what is expected of them: they do not answer. They and their parliamentary secretaries respond like naughty children. The atmosphere of this place rapidly degenerates to that of a zoo at feeding time. I have to admit that I am as guilty as anyone.

Does the role of straight man or straight woman to the inner cabinet really merit a pension worth anything from a few hundred thousand to millions of dollars? I doubt it. Does it merit a pension scheme four times richer than anything available in the private sector? I doubt it.

The most objectionable features of Bill C–85 have been thoroughly explored by my colleagues, but as far as I can recall nobody has yet referred to the fact that the bill is silent on the question of former members who are dipping into this particular goody bag.

With the Speaker's indulgence I will read a couple of paragraphs from a letter to the editor in last week's *Western Producer* by Mr. Delon Bleakney of Turtleford, Saskatchewan. It reads:

> I think we should deal retroactively with the gold–plated pensions of the MPs who voted for them for themselves while systematically bankrupting our country over the last 25 years. Somewhere in our civil service there must be some financial wizards capable of calculating the contributions (plus interest) that our MPs, serving and retired, have made to their pensions.
>
> The people of Canada might even be generous enough as employers to kick in a percentage consistent with private plans.
>
> When these calculations are complete, I suggest that we try to borrow enough money to issue each of the "troughees" with a cheque. (The borrowing shouldn't be hard, that is one thing they do excel at.) This cheque can be accompanied by an explanation of the calculations and the advisement "Here is your pension, you are responsible for yourself henceforth".

• (1610)

In this country retroactive legislation to relieve governments of contractual obligations or to impose financial obligations on citizens is certainly nothing new. The only novelty of my proposal is that it would be aimed at politicians instead of the public.

Saskatchewan did it with the GRIP program. Alberta did it years ago in order to tear up royalty agreements. This very government did it with the helicopter deal and is now trying to do it with the Pearson deal. Our very own Minister of Justice has been very busy instituting retroactive regulations to confiscate the property of Canadian gun owners without even going through the motions of parliamentary democracy. There are retroactive orders in council to deprive Canadians of their lawfully required property.

Defence of the gold plated MP pension plan sullies all of us in this place. We should be talking of eliminating them, not modifying them. We are all touched by this national scandal regardless of the personal stands which we may take in this place on this matter.

I beg members for the sake of the reputation of us and of this place to defeat Bill C–85 so that we can all stand a little straighter and walk a little taller.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, I was not supposed to speak in the House today. I was not planning to do so but I was touched by a few of the arguments of my friends from the Reform Party.

One of my friends from the Reform Party said, and I fully agree with him, that we the people of the House of Commons are getting rich while the poor people in Canada are getting poorer every day.

First, the goal of the Bloc Quebecois is the sovereignty of Quebec. There will be a referendum soon. If we win it, and I think we will, all the people from the Bloc will lose their jobs and we will have no pension. We are not in the debate for that reason.

Second, I was also touched by an argument that is often brought forward by my friends in the Reform and I fully agree with that argument too. Slowly but surely we are hitting the wall and it is going to be quite soon.

I was reading this morning that a few economists, probably Canadian economists, were talking about a possible recession not later than the beginning of 1996. I saw a few papers last week where a few economists from the United States were talking

about a possible slowdown in the U.S., say in 1997. All these things ahead of us are not good news at all.

Also we accept the fact that the *Wall Street Journal* was talking of a possible breakdown of Canada from an economical point of view. We can look at the budget too. My friends from the Reform Party said it many times and I agree with a lot of their suggestions.

• (1615)

If we look at the budget we see all the cuts and we very well know that despite the billions cut the debt problem will be there next year and the year after. We are in a vicious circle and if we do not do something, nothing will get us out of this circle.

Since the beginning of this Parliament I have been listening to the ideas of my friends from the Reform Party. If there is one thing I realized throughout all the arguments, I never said it before but I will say now, people in the Reform Party came here with a certain naive point of view. I say very positively they had a new way of seeing things. They wanted to change things in a system that has been going on and on forever. We have to have a naive point of view to change things.

Most people were in a type of profound deception and realized today that despite all the good ideas nothing will be changed. Up to a certain point I understand their feelings. The Reform Party should realize that despite all the good ideas it has, and some are effectively good ideas, it will never be able to put them to the test because the political situation will not allow it.

Perhaps my friends will not like this comment, but the Reform Party will never be elected in Quebec. My friends from the Reform who were second in many areas in Ontario could very well think of winning an election if Quebec were not there.

My friends should think seriously about supporting the sovereignty of Quebec. Otherwise all the good ideas will stay good ideas with no meaning at all because the Reform will never be in power to put those ideas to work.

I remind my friends we do not want to destroy Canada. We fully understand Canada must go through a profound change. We think one change has to be a political one. Our friends believe and I also believe it also has to be an economic change. We are ready to make the first part of the change, a political one, to become sovereign, and to take our fair share of the Canadian assets and the debt and pay it. Every day we will pay our share of the debt and we will go on. Canadians will be able to control their country the way they want to and Reform will be able to think seriously about getting into power and making the major changes it feels it must make. For the moment this is only a dream.

About three months ago I had a discussion with one of my friends from the Reform Party. He told me the only thing Quebec wants is more power and more money. My friend is absolutely right. What my friend did not seem to understand is that it is the federalists in Quebec who that. The sovereignists do not want that at all. We do not want more power and more money. We want all the power and no money at all. We want to be at home in Quebec. We will pay our fair share of the debt and the Reform Party will be able to get into power in Canada and make the major changes.

For the moment this idea may seem strange but it is one to think about. I hope my friends will think about it.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it gives me great pleasure to address the issue today.

If one issue has given ordinary Canadians a very sour view of politicians it is the grossly over generous MP pension plan. It has become a symbol of the elitist mentality that has overtaken our politicians when they are entrusted with the strings of the public purse.

• (1620)

It seems when we get there we give people the impression we think on a higher level. This MP pension plan has become a symbol for that type of elitist mentality. People have become so cynical about those who are put in power as their elected representatives that they are skeptical that any good thing can come out of this place. The cynicism is so widespread they do not believe a thing politicians say any longer.

When I worked in underdeveloped countries we lived out in the rain forest. In our home, besides cockroaches, ants and all that other kind of stuff, we had tiny lizards called geckos. My wife did not like these things so she ask our son to throw them out. If one tries to grab them and is not quick enough and only catches their tail, they have the amazing capacity to drop their tail. They are not harmed. In one's hand is this wildly wiggling tail and the gecko gets away.

When I came back to Canada I saw the same thing in our political arena. We have an election and when the election is done all we are left with is a wildly wiggling tongue. We have these politicians who make these promises, their tongues wiggling wildly, and they escape to Ottawa. They do their thing there. They line their pockets with this over generous MP pension plan. The public is outraged at the money being spent on this MP pension plan. They think it is a public disgrace.

There are some secondary effects to the MP pension plan. People are concerned about the millions being paid out through the plan. It is a disgrace. It is a plan put in place by the very people who will benefit from it. The people here use the taxpayers' hard earned money to line their pockets and people find that unacceptable.

However, there is something else. There are some secondary effects to the MP pension plan. The MP pension plan gives people the wrong incentive in the performance of their job. The plan is totally out of line with what people who are not elected

could realistically expect; a plan so structured that an MP who can get re–elected can dip into it. It is structured in a such a way that the longer one is here the greater one's benefit so that it accrues into the millions of dollars if one can get re–elected for several terms.

What does that mean? Politicians can come to this place with the most honourable of intentions but when they see they will make a huge pile of money if they can get re–elected, that they can get the equivalent of winning a lottery, they become distorted in their vision of the country. They become blurred with the dollar signs before their eyes because of the MP pension plan. Most people do not realize it is not just the money we spend on this, it is the negative spin off effects because of this MP pension plan.

What is one of the biggest problems before the country today? Most people would say it is the economic condition. We have a huge debt and deficit. There is a lack of jobs and unemployment is way out of line. Our taxes are too high. How did it get that way? How did we come to the point at which we have overspent to the tune that we have enslaved our children for years to come?

Politicians made promises so they could get re–elected. They have the incentive built in with the MP pension plan that if they can only win the next election maybe things will hang together long enough.

• (1625)

Let me propose this. Let us remove this Cadillac pension plan. Let us reduce the salary of MPs until they solve our debt and deficit problem, until they begin to reduce taxes, until the jobs come back into the country.

Let us reduce that incentive until it is all fixed. If we were to take half of our salary, if we were to do away with the MP pension plan until all these problems were fixed overnight we would have a wonderful solution to everything ailing us. There is no incentive built into the system to make politicians do what is right for the country. The incentives are in the reverse.

MPs made promises just to get re–elected. They will cater to special interest groups and give them promises so they can get re–elected. They will raise taxes so they can promise more. They will spend more to get votes in their ridings. They will do whatever they can to get re–elected and feed at the trough.

What is another big problem in the country? I alluded to it when I told a little story about the wiggling tail and the wiggling tongue. We only have democracy for a very short time every five years. Politicians listen to the people only when it is convenient.

I see this very clearly in the gun control issue which I have been dealing with. Politicians will hide what they are doing. They do not even ask the people what they think. Politicians are afraid to put democratic reforms in this place so the people will have more to say.

Why do they not put in referendums? Why do they not allow for citizen initiatives? Why do they not allow the recall of an MP who does not do their job? It is because those citizens might say: "You are putting too much into your own pocket. You are not running the country the way we want it run".

There was an old farmer once who was on hard times, as many farmers are. He had a donkey. He had a hard time feeding the donkey. He thought he would put a little sawdust into his oats to make him feel full.

The first day he put a little sawdust into the oats. He gave it to the donkey and the donkey did not seem to notice. The donkey felt full and did not complain. He did it again the next day. He put a little more sawdust into the oats and he continued to do it.

He thought he was fooling the donkey. The donkey seemed fine. To make a long story short, one day he came out after the donkey was on a diet of almost pure sawdust and all four legs were up in the air.

That is what is happening in this country. It will soon have all four legs up in the air because people are being fed sawdust, a little more every day. The politicians keep adding it to their diet and think people do not notice.

They can put the MP pension plan in place. They think: "I will put this along and the people will swallow it. They will accept it". At some point people will say: "That is enough. We really have had enough of this sawdust. We might feel full today but hard times are coming".

We need to have real MP pension plan reform because it is hurting the country. It provides the wrong incentive for people to get re–elected or even to get elected. This is supposed to be the highest court in the land. That is an absolute joke.

We on an average day have very few people here listening to the debate, wondering if the legislation is good or not because we do not even have a say. The Prime Minister and the few people he surrounds himself with control the whole thing. There are no free votes in here.

The people of this country do not even have any input as to what the pension plan will be. The government will ram it through. That is why we do not have anybody sitting around here listening to the debate. It is because this is not the highest court in the land any more.

We have made a mockery of this place and what happens here. People do not even bother to show up to listen. I came here to build up the country and to make positive changes. People want to see people in public life there because they believe in sound principles, willing to serve their country selflessly.

• (1630)

The MP pension plan gives people the wrong incentive. It gives people elected to this place the incentive to remain here, not necessarily just to serve their country.

I have lived on the farm. I have raised pigs and I know what pigs are like. I wish everybody could see what it is like when they get to the trough. They stand there and defend their places. The biggest pig gets his snout in there and all the little pigs dare not disturb him. The pigs keep their snouts in there until they get fatter and fatter. They are pig headed. I wish I had time to explain what pig headed is. It is well illustrated when observing them. They will not listen to reason. They will do what they are bent on doing and will not change their plans in any way.

I see that happening in this place. We do not just have our noses in the trough; we are also being pig–headed in this whole issue.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I have followed the debate today with great interest. I thank my colleagues for strongly debating Bill C–85 and the massive problems with it.

I also thank my colleague from the Bloc Quebecois who rose to speak to the bill. He actually made a number of very good points. Of course there were a couple of points with which I would vigorously disagree. However, I thank my colleague from the Bloc for indicating that we are in fiscal trouble in this country and that we do need to see a more responsible approach to economic concerns by the government, which is something we have not seen.

I rise today to again debate Bill C–85. This bill would be more appropriately entitled: "an act to make minimal changes to the gold plated MP pension plan". It is clearly a case of the government not being honest with the Canadian public. Its overblown pension scheme is nothing more than a back door way of increasing MPs' remuneration. It would rather do it through the back door with fat pensions and hope that the public will not notice or kick up a fuss.

I do not understand why this government is fighting so hard to hang on to its ridiculous pension. Other jurisdictions have come to grips with reality and have done the responsible thing: they have reduced or even eliminated their members' pensions.

The province of Alberta completely eliminated the pension plan for its MLAs as there was such public hostility to the very rich compensation plan.

In the past week or two, in my home province of Saskatchewan, Premier Roy Romanow announced a major reduction in pension levels for MLAs, including himself. That was done in an attempt to help his cause in the upcoming provincial election. He has eliminated the taxpayer ripoff and is instituting a matching dollar for dollar pension system for MLAs. It seems that Saskatchewan can set up a pension system with a ratio of one to one but 3.6:1 is the best this government can do.

This is a Liberal government and that is a socialist government. I have heard members opposite talk about how terrible these socialist governments are. I certainly am not a socialist. I never was and I do not intend to become one. However, it is quite revealing when even a socialist government in Saskatchewan comes forward with a more responsible pension plan for its MLAs than this government brings forward for members of Parliament.

What the public objects to is the fact that the pension plan for MPs is not only out of line with other pension plans, but it would be illegal if it were not specially protected by Parliament. The same government that wants to continue the fat cat pension would prosecute any private firm which set up a similar plan. How is that for two–tier irony?

Reformers on this side of the House have long said that members of Parliament should not be treated better than other Canadians. Bill C–85 does not bring the compensation package for MPs any closer to private sector levels. Rather, it underscores and reinforces the differences between private Canadians and members of Parliament.

This is, after all, the House of Commons where ordinary Canadians are to come together and govern themselves. It is not the House of Lords, to be filled with aristocracy. I always have trouble with that word, probably because I do not fit in that class. It is not an exclusive club reserved for the privileged, even though the Liberals like to treat it as one. Members of Parliament have the means to provide for their own retirement and they should do that, the same as many Canadians have to do.

Not being part of the aristocracy, I was a self–employed farmer before the election. Being a self–employed farmer, I had to make arrangements for my future retirement. The only pension plan available to me as a farmer was the CPP, which I may speak about later if I have time.

• (1635)

Canadians want to move toward the next century with enthusiasm. They want the government to be in touch with reality. Government members have forgotten that it is Canadians they are here to represent. Canadians want the government to reflect society's progress into the future. They do not want to be dragged back a few decades.

The Liberals are unwilling or unable to come up with new plans and structures suitable for the Canadian society of today. The only new thing this government has come up with is new taxes. It seems to think the role of government is to invent new ways to take money out of the economy to support old govern-

ment programs that are out of date and not living up to our expectations, including an outrageous pension plan.

The government's refusal to really change the MP pension plan is a good example of this resistance to the kind of change Canadians are demanding. When compared with the massive problems with the state of our government, the MP pension plan may not seem like a big deal. However, if the government cannot solve a simple problem like this when the solution is so clear, when do we have any hope it will be able to deal with the big questions facing our country?

Plain old common sense says that if we take care of the little things the big things will take care of themselves. The government is failing on the smaller issues, particularly these issues of principle. It is no wonder it is way off base when it comes to the larger problems facing our country.

The issue of early retirement has not been adequately addressed. In the private sector if someone takes early retirement, benefit levels are lower for each additional year they draw from the plan. Private sector pensions do this because they believe in being actuarially sound, a concept that seems to be foreign to this government.

The total national and provincial debt exceeds 100 per cent of our GDP. Government programs like the Canada pension plan are threatening to collapse because of the hundreds of billions of dollars in unfunded liability. The Liberals have never done anything on an actuarial basis, but it is high time they started. They do not even know how to balance the books. They never have and I am becoming convinced they never will. It seems only Reformers have the knowledge of how to balance the books.

How can this government and the Trudeau and Mulroney administrations before it explain to Canadians that they have ruined CPP, the people's pension plan? They have ruined it, thereby jeopardizing the retirement plans of hundreds of thousands, if not millions of Canadians. At the same time the government worked hard to protect and preserve the MP pension plan. It is purely self–interest and nothing more.

The Liberal government is putting its own interests ahead of the country. Its members are selfish. As the member for Macleod so aptly said, they should be described as hypo–grits. That is one of the best descriptions I have heard in days.

The pensions being drawn by some past members have been brought to the attention of the House. Massive, luxurious pensions are being given to Perrin Beatty, Ed Broadbent, Joe Clark, Brian Mulroney and John Turner. It is interesting that John Turner moonlighted while he was here. Not only did he collect his MP salary, but he was in business. He was never in this place. He collected two salaries. Now he leaves this place and he collects a fat pension. Where is the responsibility? Why do we not start designing programs that are fair and reasonable, not this kind of nonsense. Mazankowski, Wilson, they are all receiving their fat pensions.

Future recipients will be the member for Yukon, the member for Hamilton East, the member for Halifax, the member for York South—Weston and York West. Where will this money come from?

It will come out of the pockets of fishermen with lower incomes or perhaps no income at all because there are no fish. It will come out of the pockets of farmers who are paying higher grain transportation costs. It will come out of the pockets of salesmen who are paying an extra 1.5 cents a litre gasoline tax. The money will come from the pockets of small business people. It will come from the pockets of retired folk who are paying for this luxurious pension plan.

I am sick and tired of the whining from the members opposite about how tough it is for retired MPs. I just received a notice from Gowling, Strathy and Henderson in my mail. It is pleased to announce that the Right Hon. Ramon J. Hnatyshyn has rejoined the firm as a partner. They are having a little party to celebrate that and would like me to come. I think I will pass up on the invitation.

In this so–called pension reform the government has refused to stray too far from the old cushy system in this plan. It is reticent to cut off its own gravy train no matter what the public thinks about it. Despite the fact that the Canadian public disapproves of the MP pension plan, the government is unwilling to significantly change it.

I ask the member for Kingston and the Islands to listen. The Liberal frontbenchers are like alcoholics who have tasted the booze and want a generous supply. They cannot control it. They are pension addicts. To them public money is like alcohol, one dollar is too much and a billion is never enough.

• (1640)

The Liberals should do the honourable thing and go cold turkey. They should opt out of this plan. They want to make their backbenchers pensionaholics too, just like they are so that they can all cry in their beer together. They have to have trough regular or trough lite. They are addicted to the pension and cannot walk away from it.

Bill C–85 fails to deliver on effective pension reforms in two ways. It fails to bring the MP pensions in line with the private sector plans available to most Canadians. More important, it fails to bring MP pensions in line with what Canadians are

willing to provide for members of Parliament. We cannot lose sight of the fact that we work for the Canadian public.

I will be opting out of the pension plan. I want to represent the wishes of my constituents in this matter. They have told me in no uncertain terms that the MP pension plan is totally out of line.

I did a survey in my riding and 97 per cent of the respondents said that the MP pension plan is irresponsible and they would like me to have nothing to do with it. I want to do the right thing. I am proud to opt out of this thing. I would much rather take less income and have no pension when I leave this place than do the wrong thing and be an embarrassment to my constituents and my country.

[*Translation*]

The Deputy Speaker: It is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Mackenzie—agriculture; the hon. member for Bourassa—immigration.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it gives me great pleasure to have the opportunity to speak on the issue of MP pensions.

I represent a constituency where there is a very large number of retired Canadians. Part of my constituency is described as God's waiting room because of the number of elderly people who live there. From the responses I get I can see that the make-up of the constituency is changing.

There is a lot of concern, not only from the elderly people in my constituency but from those in the middle age category and the younger people who live there. I take a bit of ribbing from my colleagues because I have developed a two way communication with my constituents. I often have stacks and stacks of letters from them, letting me know what they have to say.

My latest return had over 2,800 responses. The most consistent concern of my constituents is the overbloated MP pension plan. In their comments I hear a real contempt for members of Parliament and their overbloated pension plan. I would like to share some of their comments.

One constituent says: "I think government pensions are too early for too few years and too much. We cannot afford it. The general public do not get pensions like that". Another says: "MP pensions should start at age 65. MP pension plans should be in line with the general public. Cuts to MP pensions are not deep enough. They are whittling away at our pensions but are still feathering their own nests. We worked hard and long to save for our retirement but we might as well have sat in a bar and drank our savings. To this government it seems sloth is rewarded and hard work and responsibility are penalized. Let the MPs cut their excessive pensions before they cut ours."

"Why do government pension plans still totally out perform private plans? How can they say they want to increase eligibility to 67, yet they are eligible at 55? MP pension plan changes and cuts are not nearly enough, in fact are quite inadequate and presumably made to prevent rebellion. Your disgusted taxpayers are expected to make large sacrifices to help pay off the huge debt."

"MP pension changes must be more drastic." No one should be allowed to have pensions before the age of 60. Changes should be retroactive to include all former members of Parliament.

• (1645)

"The MP pension plan is a joke. The proposed changes are a joke. Would Svend and Ms. Copps make well over $1 million pulling down a pension from the private sector? Could you, Val?"

"Government pensions should be equivalent to the private sector. On members of Parliament pensions further cuts should be made here. Why should MPs receive higher pensions than one would receive in private industry? Changes should have been more drastic and no pension should be paid out before 55, regardless of when the MP started. MP pensions should be in line with industry". I could go on. I took one small handful from the stack I have.

I repeat, the one consistent message I get from my constituents is they will not accept another change to the pension plan that leaves it as bloated and as unresponsive to the demands of the constituency, that leadership be shown by the members of Parliament in the House. They expect if sacrifices are to be asked of them there should be like sacrifices from the people sitting in the House.

Like my associate, I will be opting out of the MP pension plan. I have given notice to my constituents that I will be opting out of the plan. I have received many phone calls and many letters supporting that decision. They do not feel I should be here without any kind of compensation. However, they feel the pension plan is asking too much from the ordinary taxpayer. I have to agree with them.

The Reform Party has come up with a very plausible pension plan that would make plenty of sense not only to members of Parliament but to the people we expect to pay for the pension plan. I suggest the government side take a close look at the alternatives placed before it from the Reform Party; a plan that would be adequate, a plan that would be fair and responsive to the years of service MPs put in. That would not be any more than what the person in the private sector of the people in my constituency can expect.

I hear from some of the seniors in my constituency that many of them are retired on $975 a month after 30 years of working for the same company. How can I possibly defend a pension plan that allows a person to collect after 55, that allows individuals who sat in the House for over six years to collect millions of dollars over a period of time up until they are 75. How can I defend that? I cannot.

I ask the House to please reconsider the bill before us now and to be responsive to the thousands and thousands of Canadians asking the House to show leadership and to show members are responsive to what Canadians are asking for.

It disturbs me to hear the responses and the comments from across the House. They do not seem to feel there are any expectations of them to make this kind of sacrifice. It disturbs me these people sitting in the House of Commons who have been put here to represent Canadians in their constituencies are not listening to what Canadians are saying. They are certainly not representing Canadian views in the House of Commons.

I hope before the debate is over they will get the message from their constituencies. I thank you, Mr. Speaker, for the opportunity to share my constituents' concern with the House. I hope their message is shared across the country and listened to by the Liberal government.

• (1650)

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I join the debate with some reluctance. I was very proud to be elected to the House and to be a member of Parliament. When I ran and became involved in politics I felt one of the most important things I could and should bring to the House is leadership.

I knew then and I know today our country is facing some very difficult times. We are into a period of financial restructuring in our country which will make what has gone on in the last year or will go on in this next year seem like child's play. Sooner or later we will have to come face to face with the reality that our country is $550 billion in debt and in the hole at the rate of $120 million a day.

If our country did not have this onerous debt then I do not think the pension problem would be necessarily as fractious as it is. The debate has brought out a level of meanness in the House which has not really been here in much of the debate that has taken place, even though there have been some very contentious issues debated.

When we talk about pensions and income we are talking about where people really live. When we take the facade off the role or the life of a member of Parliament every one of us has exactly the same problems and wishes as every other Canadian. Every one of us is making a mortgage payment or a car payment or has a child in university or has someone else they are looking after. Every one of us has financial obligations.

Being a member of Parliament does not mean one's life automatically magically changes. Many people in the House make a substantial financial sacrifice to come to the House. What happens is people are making less than they did before they were elected.

Everyone having been elected knew that before they got the job and should not complain about it once they have it. We went into this with our eyes wide open. Why should members of Parliament be prepared to make the sacrifice? That is the essence of the debate.

As our country goes into this period of travail as we learn to live within our means the people in positions of leadership have to exhibit leadership by taking the first hit by leading by example. I do not think any Canadian begrudges a fair income or a fair standard of living or a fair remuneration to a member of Parliament. However, they do not want to see members of Parliament living far beyond what is available to anybody else in a similar circumstance. Why are there two sets of rules, one for the law makers and one for everyone else? That is precisely the reason Parliament has brought disrepute upon itself, having one set of rules for everybody else and one for Parliament.

The basic question is does the remuneration package in any way help or hinder the development of good governance in our country?

In my private life I would ask the question from a business perspective. Does the remuneration package offered to people in this business help or hinder the development of the business? Does it attract and retain the very best people or does it retain people we do not want to retain who perhaps should move on somewhere else? Does it lead to the very highest ideals or does it lead to mediocrity?

I will pick up on a theme presented earlier in the debate that perhaps because the salary level is low, which has been said by the Prime Minister time and time again and others in the House, the pension is abnormally high because the salary is abnormally low.

• (1655)

I suspect our remuneration package does more to bring mediocrity to the House than it does to bring a level of commitment and excellence we should all hope for. The pension is such a pot of gold at the end of the rainbow any normal human being will be affected in their day to day decisions with how they can go about getting into that pot of gold.

The question is when we come here and make a decision, are we making the decisions best for the country in the long run? Are we making decisions best for the next generation or are we making decisions for the next election? Are we statesmen or politicians?

If our decisions are motivated by winning the next election rather than doing what is right for the next generation, I submit we are politicians. We will never be statesmen. The pension is so rich human nature would automatically cause people to think: "How should I respond in this situation? Will it help me or hinder me in the next election? Will it help or hinder me within my caucus? If I go against this program, am I likely not to get a nomination? Am I likely to be pushed out of caucus? Am I likely to be dropped from a committee? What would happen to my image if I am not a team player?"

That is the reason members of Parliament should be fairly compensated. They should look after their own pension arrangements like everyone else. We should be well paid and we should look after our pensions.

We should have a dollar for dollar contribution to buy an RRSP, just like everyone else. The decisions we make that affect us should not hold us harmless from the effect of these decisions on the economy as a whole.

If we in the House and those who came before us manage to mismanage our economy to the point at which 35 cents of every dollar collected by the federal government goes to paying interest on money we have already spent, should these people be rewarded with a pension for life? Hardly.

Should people be motivate to be re–engaged to have a political life because of the pension, which begs the question whether our function as members of Parliament should be to act as a board of directors. Should we be micromanaging the economy as we are wont to do?

Why all of a sudden does Parliament have to sit 180 days of the year? Why can we not retain our real lives and come here just enough to be a board of directors and have a professional civil service actually run the country?

I suspect as human nature drives this remuneration package none of us on any side of the House is perfect. What on earth is the point of the government's hiring outside third party arbitrators to make decisions on remuneration for members of Parliament and then ignoring the advice?

It is a pox on our Houses. How can we be determining what our income or remuneration should be? Why can that not be done by an impartial qualified third party and accept the results that come from that impartial third party? Why should it be done internally?

I want to close with a spirit of optimism because I have great faith in our country. I still have great faith in Parliament. Remember, what is done today can be corrected tomorrow, and that is the beauty of Parliament.

Although the legislation will pass, there will be another dawn. There will be a tomorrow. In the closing stanza of "The Rime of the Ancient Mariner", the poem that says water, water everywhere and not a drop to drink, the parable of the story is he will rise upon the morn, a sadder and a wiser man.

• (1700)

I suspect that the result of the Liberal government, having had the opportunity to do the right thing and taking a half measure, hesitant step and calling it an achievement, will rise upon the morn and rue the day sadder and wiser at the next election.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, normally it is a great pleasure for me to rise to speak in the House, but today I find the need to speak to this bill is not much of a pleasure.

In 1952 the Liberal government of Louis St. Laurent introduced the members retiring allowance. He described it as actuarially sound and a matter that would operate without any further charge on the public funds than the matching of the contributions to be made by all members of Parliament. That is the way it should work.

How in the world did it get so far off track? Today the taxpayers contribute 80 per cent and the members of Parliament contribute 20 per cent.

Only a government with its head in the sand would ask Canadians, who have the fastest growing personal tax burden in the industrialized world, to shoulder the burden of deficit reduction without first putting its own house in order.

Bill C–85 tells Canadians that the majority of the people they elected to Parliament in 1993 care more about their personal financial security than they do about the deficit or the tax burden.

Canadians will soon learn that while all 52 Reform MPs are opting out of the pension plan, only one Liberal MP has the fortitude to say no. Canadians will soon realize that the majority of members they elected to Parliament do not really care about the debt or the tax burden ordinary Canadians have to face. They talk the talk, but when it affects them personally, and when it is going to affect their retirement, they quickly seek refuge back at the trough.

Pension reform was a major issue in the last election, and I suspect it will be in the next election. When my colleague was quoting from "The Rime of the Ancient Mariner", a line occurred to me as well: and like a cross around my neck the albatross was hung. This is an albatross the Liberal government will have a difficult time getting off its neck.

Mr. Milliken: Maybe we should call an election to find out.

Mr. Johnston: Maybe we should. The hon. member suggests that there should be an election. I challenge him to call an election on this issue. It is an excellent idea.

They even boasted in the speech from the throne that pension reform was a plank in their platform. They have made a mockery of their own promises.

Bill C–85 was not at all what the Canadian taxpayers expected. Instead of real pension reform, the Liberal caucus agreed to protect senior MPs and youthful cabinet ministers, because it knows that when the Reform Party forms the next government, and it will, contrary to what my friend in the Bloc suggested, the Liberals will not be getting any patronage jobs to supplement their incomes.

They claim to have eliminated double dipping. However, even if they were to get a federal job, their pension benefits would keep on growing, thanks to inflation indexing.

I am amazed that with only two years left before the government has to face the Canadian electorate it would have the gall to introduce a bill that would give MPs a pension other Canadians can only dream of, especially since it is the average Canadian taxpayer who will have to pay for this now silver plated pension plan.

• (1705)

How much will they have to pay? They will have to pay plenty. For every dollar contributed by all those Liberals and Bloc MPs who are rushing to opt into the plan, the taxpayer contributes $3.50. It is hard to believe that the government is not embarrassed to boast about a reduction of 1 per cent in the accrual rate, from 5 per cent to 4 per cent. Wonderful, but it is still double what it is in the private sector.

Where else but in Parliament could one receive a pension for only six years of service and that pension would be indexed for life and payable starting at age 55? This is early retirement by anyone's standards.

In the private sector, only 22 per cent of the pension plans are adjusted automatically for inflation. It takes MPs only 19 years to qualify for a full pension. A person in the private sector would have to work for 35 years to be eligible for anything similar.

The Prime Minister attempts to justify this premium pension plan by saying that MPs have a difficult time readjusting to private life and finding jobs in the outside world. Surely to goodness they cannot have that much difficulty. If they do have that much difficulty, I fail to see how it could be the taxpayer's fault.

Often when we ask the Prime Minister to justify his continued support for this cash for life scheme he compares MP pensions to hockey players' salaries. For one thing, we are talking about salaries, as opposed to pension plans; let us get that straight. For another thing, I believe the Liberals are skating on very thin ice on this one, because in Winnipeg we saw what happened when the players demanded too much. The players and those who hired them parted company. On the next election day the Canadian taxpayers will be telling the players in the government they would just as soon part company with them.

The provincial legislators in Prince Edward Island and in Alberta realized that the taxpayers could not afford to support them forever and have scrapped their pension plans. In Manitoba, Premier Filmon promised to cancel the pension plan and replace it with a registered retirement savings plan arrangement.

We are not suggesting that members of Parliament should not be properly paid for the job we do. We all know that we work hard here at this job and that we are eligible and we deserve a decent salary for it. But let us separate salary from pensions. The Reform Party does not say that members of Parliament are not deserving of some sort of retirement benefit as well. Let us have a retirement benefit that we can take in good conscience and we can look our constituents in the eye and say yes, I contributed and yes, you contributed; it was equal and it was dollar for dollar and we do not have the feeling that we are taking advantage of the people who pay our salary and put us here in the first place.

Canadians are being asked by their government to do with less. In the vast majority of cases Canadians can accept that. They can accept that there is not enough money to fund all the government programs that have been created over the last 30 years. They cannot accept the excuses offered by this government to continue to fund a pension plan that Canada cannot afford. The government has to get its own financial house in order before asking Canadians to support them for life.

During the 1993 election campaign I promised the constituents of Wetaskiwin that I would not participate in the existing gold–plated pension plan. As a matter of fact, one of the first things we did when we got to Ottawa was to go over to pay and benefits and sign a declaration there saying that we were paying into this pension plan only under duress and that we had no intention whatsoever of collecting.

• (1710)

This is not something we came up with in the last few hours so that we could debate it in the House. It is something we signed at an early date because we in good conscience did not want to participate in a pension plan of this type.

On February 24 and during our annual general meeting, when I explained to my constituents how meagre the changes in this bill were, I told them there was only one acceptable clause in it, and that was the one that would allow me to remain outside of the pension plan.

I question the intention of the government. Perhaps I am treading on thin ground here, but I think there was some malice in that very clause. It was aimed directly at the Reform Party. The idea of course would be that some would opt out and some would not and it would effectively split our caucus. I can say that

this has not happened and that our caucus has decided individually and collectively that we will opt out of the program.

Members have probably deduced by now that I am opting out of this plan with its silver lining. I recommend that anybody in the House who plans to be here for more than one term follow suit and do the same.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, one of the guiding principles of leadership is that the leader set an example. People despise double standards, especially with regard to leadership.

In the past, Canadian governments have been marked in their leadership and have been characterized by inaccessibility, arrogance, a disregard for the masses, in fact contempt for the masses, some corruption, and rule from an ivory tower mentality, a them versus us mentality. The proof was in the last election, when the government of the day was in no uncertain terms turfed from its position in government into an insignificant number in the House.

An hon. member: It will happen again.

Mr. Martin (Esquimalt—Juan de Fuca): What were the Canadian people saying in that election? We want democracy. We want to be heard. We want fairness, accountability, transparency, and above all else we want honesty from our elected officials. We want our elected officials to represent the people and we want to do for ourselves what we do unto others.

The single most objectionable thing that typifies the last government and in some ways applies to this government is the MP pension plan, this gold plated plan, which is unlike those in the private sector.

In response to the dogged efforts of the Reform Party, the government has finally buckled under and decided to revamp the plan. Is that what it truly did? Not at all. It brought out a plan that is mere it window dressing. We have seen a lot of it.

Yesterday when we spoke in the House on the OAS and CPP bill we saw much the same thing. Let me explain why. What happens with the new plan? The accrual rate decreases, but it only decreases from 5 per cent to 4 per cent. This is still double the rate in the private sector.

Furthermore, the Income Tax Act says that there can only be a maximum of 2 per cent. Therefore, the plan put forth by the government and the preceding plan are illegal.

The new plan is fully indexed to inflation. Do we see that in the private sector? Not at all. In the private sector, 80 per cent of plans are not indexed to inflation.

What is the new minimum age? It is 55, not 60. That is fine to an extent. However there is no decrease in the payments that are down if anybody collects before the age of 60. Again I bring your attention to the Income Tax Act.

• (1715)

The Income Tax Act says that pensions must be reduced by at least 3 per cent per year if collected before age 60. Does this occur in the plan before us?

Some hon. members: No.

Mr. Martin (Esquimalt—Juan de Fuca): Does it occur in the new plan?

Some hon. members: No.

Mr. Martin (Esquimalt—Juan de Fuca): What does this do? It is another MP pension plan that contravenes the Income Tax Act and is completely illegal.

This new plan decreases the contribution rate from MPs from 11 per cent to 9 per cent. What does that do? It increases the pay that MPs take home. This plan is at least two times as lucrative as private sector plans and continues to contravene the Income Tax Act in at least two cases. Therefore that makes it completely and utterly illegal.

We in the Reform Party, as all members, have been given the chance by the government to opt out. What happened? To a person, the members of my party have opted out of this plan. When many of us, myself included, were given the sheets to sign for our pension plan when we came here in January 1994, we wrote on the top that we would not sign out of protest because we would not be a part of this plan.

It was an election promise we made and one that we keep. It is not only we who will opt out of this plan. There are a handful of hearty souls from the government side who, under duress and intense pressure from their own people, have decided to hold strong and represent the wishes of their constituents and opt out.

Are the members of the Bloc Quebecois, a group that is committed to destroying the country and tearing it apart, to be members of this plan? Absolutely. I find it completely hypocritical that these members are rushing to be members of a pension plan in a country they are running away from. Why does this group want to join a pension plan from a country that it wants to tear apart? It is hypocrisy. Its members should look in their souls and in the mirror when they decide to do this.

In this party, we propose not to be destructive but to be constructive. We have said all along that we want to be a part of the community, to join hands with the rest of the country to make it strong. One of the things that we can do is have the same pension plan as the people who voted for us.

We want to have the same pension plan as the private sector and in essence, lead by example. Therefore, we should collect

the MP pension plan at age 60 and decrease the contributions by the taxpayer. As one of my friends from my party just said, we should make it a one to one contribution. Above all else, let the MP control and manage his or her pension plan. It is interesting to reflect on this for a moment because it shows the the difference in mind set and philosophy that we in the Reform Party have to the government.

Government members believe they should get their lecherous tentacles into all aspects of people's lives from business to MP pensions. We in this party and the majority of Canadians believe that it is not the government members who should do the majority of things in the country, but people, individuals and private organizations are the ones who can best deal with the problems that affect them. Let government do what government does best and what the private sector cannot do and let the people and individuals do everything else. Our job is to empower the people to do that.

One of my colleagues was musing the other day about the so–called increase in pay. What he was really doing is trying to find ways of decreasing the cost to the taxpayer. He proposed abolishing the MP pension plan, abolishing the allowance but increasing the salary to compensate for this. He qualified this by saying that this does not in any way, shape or form represent the will or the wishes of this party.

Nobody in this party wants to increase the salaries of any one of us. The hon. member for Beaver River started off when she was a lone person in the House by voluntarily decreasing her salary by 10 per cent. She was the only individual in the House to do this. It is important to understand that out of the 295 members only one MP at that time did that. That MP was from the Reform Party of Canada.

• (1720)

Other things we have done that members of the other parties have not done is that we took the bull by the horns and tried to find out other constructive ways of saving the taxpayer money. We saved money on our flights by flying economy. We in my office managed to save the taxpayers at least $10,000 to $12,000 per year by flying economy and on cheap flights. If all of us were to do that we would save the taxpayers at least $3 million a year. We should look at that because it is certainly something constructive that we could do.

Many of our constituents have complained about this MP pension plan. Many of these people are individuals who fought in the last war, which we celebrated this week, and who have worked all of their lives only to have pensions of less than $1,000 a month. Furthermore, on that amount of money they are remorselessly taxed by the Canadian government. It is not something I would lay at this government's feet right now as it is something that has gone on for a long time.

I ask the government to look with compassion on those individuals who have made such a significant contribution to the backbone of the country. They have worked all their lives to make it the safe place that it is today.

I implore the government to lead by example. Give the people the confidence they need in their elected officials. As we saw in World War II, we came together to do great things, to defeat the fascism of Nazi Germany. That hope is not lost on us now. In 1995 we can all come together to build Canada, the greatest country in the world, to once again stand on its feet and be the middle power that it can be. We can only do that by coming together, leading by example and working together for the benefit and future of our wonderful country.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, during the election in 1993 I made one promise to my constituents. I promised that when I got to Ottawa I would take every opportunity to let their voice be heard. Therefore, I am pleased to have the opportunity. For all my Wild Rose friends out there in TV land or wherever they are, this is for you. My Wild Rose constituents say scrap the obnoxious, ridiculous pension plan of MPs. I agree with them wholeheartedly.

Yesterday school students from the county of Wheatland in my riding visited me. Some of my colleagues joined me and we had a great visit. I really have a hard time understanding how a member of Parliament could stand in front of a group of young people in today's times and say to them: "We have this huge debt of $550 billion. It will be $600 billion or more by the time this Parliament ends or maybe even more than that".

"Your future does not look too good. It will be very expensive to get an education because we are really in trouble financially. We are sorry about that. Probably the old age pension, the Canada pension and things of that nature which we have grown so accustomed to admiring and having in this country will be gone when you get my age, but that is just the way it goes. We really tried hard. Of course you won't mind, students", as I told them yesterday, "if I hang on to a pension, would you, that will provide me with several thousands of dollars during my old age while you will probably have nothing".

The students quickly told me how much they minded. I know that same message is loud and clear at any school. If any member wants to go to a school and has the nerve to tell the students exactly what the situation is and then turn around and tell them that he or she is well looked after, let us see how they respond back.

• (1725)

I have a funny feeling there are a lot of members in this Parliament that would not even dare do such a thing. That is a little too honest. That is a little too much up front.

When this Parliament first met the minister of human resources would stand up to talk about the one million children in the country living in poverty and how we had to address that. Eighteen months later, we are still talking about the one million children living in poverty. Let us give up our pensions, let us feed the hungry kids. Does that make sense? Not if you are greedy, it sure does not. If you are a greedy individual, you will accept this pension plan. We will hear the minister of human resources talk about hungry children again next year.

I received a call from an individual who works with the Children's Aid Society, a relief society. He asked if I would come to the House and encourage the members of Parliament who are flying around the country to give that up and donate the money to his children in Ottawa. They could sure use the extra few thousand dollars that is being spent.

Look at news items like: Goods news, MP junkets will not be cut. "We are going to Europe, Asia and Africa. Never mind, we are only $600 billion in the hole. We have hungry children all over Canada. Never mind, we are going to take these trips". What kind of leadership is that? Where are their hearts? Where are their minds?

An hon. member: They are greedy.

Mr. Thompson: Greedy is right, the exact word. If we were to call a consultant to come into Parliament to address this group I am sure the consultant would not hesitate to say in order to set things in order, we had better start at the top and set an example.

Not a member in the House has not received a call from an old age pensioner who has said: "I do not know how I will make it. I have had another cutback and I cannot make it". I really doubt there is one member in the House that has never received a call like that. I cannot understand how any member can receive these call and say: We are doing all we can and in time things will change.

If we give ourselves pensions like these and then talk to an elderly person on the phone about what they are doing and what they are getting, we are being hypocritical. Talk about being hypocritical. Talk about being two faced. For heaven's sake, if you have a caring attitude then go to these communities, stand in front of the people on your own two feet and do what you were sent here to do. Look after the people of this country. They are expecting you to do that.

I am sure this consultant would say give up your pensions, it would be the smart thing to do. The consultant would probably say sell the aeroplanes, that would be the right thing to do. Do not go to Europe, Asia and Africa, do not need to; you can do without that. Feed the hungry; help the elderly; do your job". That is the attitude demonstrated over there of which Canadians are sick. I hope they would call an election tomorrow to demonstrate that same attitude.

I was the mayor of the town of Sundre back in the seventies. The council and I decided we would engage a group of citizens to determine what our remuneration should be. We left it in their hands. We were pleased with their decision and the community as a whole decided that is what we should receive.

I challenge the government. I challenge the Bloc Quebecois Party, the Liberal Party—I know the Reformers will be more than pleased to participate—to find a group of citizens to come to this place to determine what our salaries, our pensions and a few other things should be. After all, in case they have forgotten we work for them, let them decide.

[*Translation*]

The Deputy Speaker: It being 5:30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

BREAST CANCER

Hon. Audrey McLaughlin (Yukon, NDP) moved:

That, in the opinion of this House, the government should provide core funding to ensure that all women diagnosed with breast cancer have access, through survivor led support groups, to information on the various treatments available in their community and local counselling services provided by peer support groups and survivors.

She said: Mr. Speaker, I am pleased to present the motion today in the House of Commons because I know that all Canadians are concerned about this very serious health issue. However concern is not enough. It is necessary to put action and to put funds behind our desire for increased health resources for women. In particular, around the issue of breast cancer, the statistics are very clear on what is needed.

[*Translation*]

Mr. Speaker, you may know that two of my colleagues from the previous parliament, the former members for New Westminster and Mission—Coquitlam, worked tirelessly to have this House put research on breast cancer and support services for women with breast cancer on the top of its list of priorities.

They helped convince this House to embark on an important study regarding the issue in 1992. The same year, the Sub–committee on the Status of Women published its conclusions and a list of recommendations in a report entitled "Breast Cancer: Unanswered Questions". I have a copy of that report with me.

Unfortunately, I have to conclude that most of the questions raised at the time have remained unanswered. The members of the sub–committee made 49 recommendations, and I think it is important to revisit a few today. The sub–committee recommended that the federal government work with the provinces and territories to give the cancer research centres already in place in each region of the country the designation of centres of excellence.

[*English*]

The centres of excellence would be a sort of one–stop treatment and information centre for women diagnosed with breast cancer.

I cannot tell the House how many women I have spoken with who say they have lacked proper information on treatment and on treatment options. There is confusion even on things such as breast self–examination and the options generally available to women.

We need to concentrate our efforts and to pool our knowledge. The regional centres idea originally proposed by the committee would go a long way in centralizing and co–ordinating information.

The committee of 1992 also recommended that the federal government establish a 1–800 line to provide information to women on various self–examination techniques and on new research and treatment options. Nothing concrete has been done about the plan. I suggest it is worth reviewing and should be seriously considered.

The Ontario Breast Cancer Support and Research Centre currently has an application before the federal Minister of Health requesting that such a pilot for a 1–800 number be established in Ontario. I hope the pilot, proposed to be jointly funded through private funds and public funds, would be seriously considered by the minister. It would be an attempt to work on the recommendations that took a lot of time of parliamentarians and were very clearly thought out. The committee heard a number of witnesses as well.

There is also an outstanding recommendation for a national registry to keep a record of devices implanted in the body. This issue is very strongly linked to the motion we are discussing today since many women have in the past decided on breast reconstruction using silicone implants after they have undergone a mastectomy to remove a breast cancer.

• (1735)

It is also an issue for women who have not had breast cancer. It remains an extremely serious and outstanding issue that breast implants have not been thoroughly researched or thoroughly regulated by the federal government. It is an absolutely crucial area in which work must be done.

I might add there are a number of self–support groups that are trying to work with the government on the issue but receive no financial support. There are a number of civil suits pending against the manufacturers of silicone gel implants. I urge the federal government to play a strong role in support of these women.

In March 1995 I met with a number of women who had experience with their implants. I can assure everyone in the House that their problems are real. These problems, in addition to causing endless pain and suffering and disrupting family life, are a huge cost to the Canada health care system.

We are very fond of saying we have to do something to cut health care costs. By regulation by the Canadian government in the area and by information being available to women about the medical devices we could do much to address that health care cost with a very minimum of support from the federal government.

One of the most important recommendations in the standing committee's report on breast cancer asked that the federal government provide some direct funding for survivor led women's support groups. We cannot underestimate the importance of the recommendation. That is why my motion today deals specifically with it.

One reason survivor led support groups can play such an important role is that women who volunteer their time have been through the process. They are able to empathize with other women, to talk about how they have handled the issue, and to deal with confusion and fear first hand. It is important for a woman diagnosed with breast cancer to have that kind of support. For a very minimal cost we could be saving health care costs down the line in a substantial way.

There is a lot of research to suggest that a positive attitude and a strong support network can actually help people fight diseases. The support groups we now have in Canada have had a tremendously positive effect on the lives of women.

This is important in light of the fact that scientific research has failed to come up with strong links between the causes of breast cancer and the onset of the disease. Despite years of research we still do not know the cause of the majority of breast cancers. Scientists have identified links like a genetic marker, age and a woman's estrogen level, but in 60 per cent to 70 per cent of all cases none of the identified risk factors is at play. It is incredibly important to look at some of the ways we can help women when they are diagnosed.

There is a huge library of research. I have many bibliographies in my own office that I would be happy to share with members of the House which point to the link between self–help groups and improved quality of life in the face of illness. Clearly with a minimum of assistance to help co–ordinate volunteers and disseminate information we can have a positive health outcome. I would suggest it is an economic saving as well.

Recently American researchers, as an example, released their findings from a study of 7,000 people in California. They had monitored the people for nine years to see if there was a link between strong social and family support networks and improved mortality. In every health category people with stronger social ties, people with stronger friendships, for example, had a lower incidence of illness. When they did get sick they stood a better chance of recovery.

When we talk about health care costs and health programs we tend to think of them generally speaking in a very narrow framework. We have to begin to think about how we can enhance existing links that provide support for people in these traumatic instances. In addition, as the research indicates they also work.

• (1740)

Canadian studies have made the same links in breast cancer. There was a study in British Columbia indicating that for women with breast cancer, women's friendships, social network and employment status had a positive impact on survival chances. The link is somewhat stronger for women who have had some form of outside support.

Over 5,400 Canadian women will die of breast cancer this year. An estimated 17,000 Canadian women will be newly diagnosed with the disease. That is one in nine Canadian women. We have made some advances. I know of many people who have successfully fought the disease and have gone on to raise their families and to live happy and productive lives.

Statistics show it is still a very major health issue. Breast cancer is the second most frequently occurring cancer in the country. More shocking still—and I have not really seen research on why it is—Canada's rate of breast cancer is the second highest in the world, second only to the United States. There is much we need to do in the area.

The obvious question is where do we get the money? It is a legitimate one. There are avenues through the health promotion and contribution program at Health Canada which has funded some projects to help breast cancer support groups communicate with one another. As in so many other areas, by assisting groups with a small amount of money we can have a huge benefit. By spending the funds we have well we enhance the links that exist in the community.

Federal support for survivor led support groups could assume a model, for example the one set up for the AIDS secretariat. It is a very good model in terms of looking at how the federal government can co–ordinate funding in an appropriate way. That model of secretariat does two things. It indicates a commitment on the part of government to a serious health issue and provides a central source for promotion of dealing with the issue both within government departments and throughout the country.

As much as anyone, certainly the New Democratic Party knows there is not a lot of money and revenues are tight. It is a question of priorities. It is a question of what we wish to see for the population of the country.

There are some who would refer to spending $60 million on the Senate. I would say save national medicare and sacrifice the Senate. There is still not a single support group in Ontario that has had help from the Canadian government. I might be wrong and could be corrected, but I do not know of any other support group in a province or territory that is assisted by the government.

There is also a related issue which I think is very real because again we are talking about priorities, reduced funding and choices. The social assistance and health transfer proposed under Bill C–76 is now undergoing discussion in committee. Seven billion dollars in cuts will only make it more difficult in this area of health.

As we are looking at priorities in Canada, what it means to be a citizen of Canada, a comprehensive system of national health care must be foremost. Many groups and individuals are very concerned that the bill will simply result in less co–ordination and reduce funding in both provinces and territories for the kind of groups that are needed and the kind of research that is needed.

• (1745)

In the same recently even the United Nations has expressed strong concern about the health and social service transfers, saying they could strip disadvantaged groups of their fundamental rights.

Health Canada is currently funding five pilot projects to improve communication between small support groups. I commend that. It is a good start on the things that need to be done. Funding for these networking groups ends in 1996. I hope by then we can say we have been able to extend a helping hand to many grassroot support groups working with sufferers of breast cancer.

I am not talking about a lot of funding, simply an amount that will help groups co–ordinate and do their work. One group I have become familiar with is the Burlington breast cancer support services. This group was the first survivor directed support organization in Canada. It started out with assistance

from the government but today it does not receive any funding from the government. It is making it on memberships and private donations and was fortunate enough to have office space donated. It was that little bit of funding that got it started that made the difference in the group's being able to continue and establish itself.

The group in Burlington receives 155 calls for support each month; 57 people drop in to its office each month and in 1994, 111 people volunteered over 15,000 hours to provide peer support and keep the organization running. This is a very clear example of how a little assistance can have a very beneficial result for people suffering from this disease.

Every parliamentarian should have the chance to speak to the women who volunteer in these kinds of activities, women who have suffered breast cancer or to their families. Obviously in this instance it affects many more people than the person who has the illness Parliamentarians would then see the level of commitment and dedication and support they give which is absolutely crucial to others.

Today I presented some of the 2,000 petitions I received from men and women across the country, from every province and territory, asking parliamentarians for the support I have discussed here. I have received over 30,000 signatures, the largest number I have received on any petition. Many women have called and written to me asking for more petitions. Others have written to tell me of their own experiences with breast cancer, suggesting new areas where parliamentarians can help.

The other day I received a completed petition from the member for Calgary Southeast, and I thank her. I believe this is a non–partisan issue. I look forward to hearing the views of my colleagues in the House on this issue. I hope it will not simply be addressed here and then forgotten.

The subcommittee of 1992 has not had a lot of action on the recommendations. I encourage all parliamentarians, both men and women, to become involved in supporting the issue and making it a new national priority.

The other day I spoke with members of the Canadian heritage committee, responsible for the status of women, and was told the committee does not have plans to discuss this issue. I believe we should look at this again. I also think we should act on it. Most women will say: "Do not do another study. We have had a lot of studies. Give us action. We have given you the ideas".

Core funding for survivor led breast cancer services is one of the most important, most cost effective ways to address the issue.

One of Ontario's breast cancer activists said recently we cannot ignore the needs of women living with the disease while we are searching for the cure.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I commend the hon. member for Yukon for bringing this important issue to the House.

We assure her we will co–operate with her and with all her colleagues both male and female to find a solution to the problem of breast cancer.

• (1750)

I want to speak to the federal initiatives in the area of breast cancer. The Minister of Health, the secretary of state with responsibility for women's issues and the Liberal women's caucus have all lately addressed the issue of breast cancer, talking about wellness, promotion and education, ensuring we support our community in the search for the necessary awareness and cure.

For too long breast cancer has been one of the most silent killers in Canadian households. Breast cancer, as the member said, is a leading cause of cancer deaths among women. It is estimated that breast cancer accounts for 28 per cent of newly diagnosed cancer cases in women and for 20 per cent of all deaths due to cancer.

Members of the House should be aware the chances of acquiring breast cancer increase with age. In spite of progress in cancer research and improved methods of early detection, Canadian cancer statistics 1995 show the incidence of breast cancer has been increasing at about 1 per cent annually since 1983.

Mortality, on the other hand, has not increased. Rather, it has marginally decreased. About one in nine women will develop breast cancer over their lifetime, and this rate has remained unchanged. Breast cancer will strike 17,700 in 1995 and kill 5,400 this year alone.

For those affected the disease is often disfiguring and requires months of treatment and years of adjustment. I recently experienced an exhibition called "Survivors" where most poignantly those facts were brought out.

On June 12, 1992 the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women tabled a report entitled "Breast Cancer: Unanswered Questions". In its response to the report the federal government at the time recognized the devastating effects of breast cancer to society as a whole and to Canadian women in particular and commended the standing committee for bringing to its attention the need for a concerted national effort to address this important women's health issue.

The federal government supported the overall direction of the standing committee's recommendations and sought, through a number of initiatives, to bridge the gaps in knowledge in the areas of prevention, screening, treatment and care. The government's response recognized and identified the need for in-

creased collaboration to address the health issue and serve as a framework to seek effective ways of responding to this national concern.

Twenty–five million dollars over five years was allocated for to establish a breast cancer research challenge fund, to develop five breast cancer information exchange projects, to convene a national forum, to support an co–ordinate provincial breast cancer screening activities, to support actions to foster uniformly high standards of care for breast cancer, and to support activities to enhance continuing education and training of health professionals in the area of breast cancer.

In exercising leadership in the area of research the federal government committed $20 million to the breast cancer research challenge fund and issued a challenge to individuals, communities and the corporate sector to match if not exceed these funds. The National Cancer Institute of Canada agreed to manage the funds accumulated through this challenge. This is accomplished through the management committee for the Canadian breast cancer research initiative, a partnership between Health Canada, the Medical Research Council of Canada, the Canadian Cancer Society and the National Institute of Canada.

In the spring of 1993 the federal government issued a request for proposals in order to fund existing cancer centres and other health care institutions across Canada for the development of breast cancer information exchange pilot projects.

• (1755)

These projects are now a reality and we are very proud of the work taking place. They are funded with $2.7 million over five years and located in five regions of Canada. They are developing specific expertise to disseminate state of the art, user friendly information on various aspects of breast cancer. These projects have a strong evaluation component and will serve as a model which can be used by other cancer centres or health care institutions to disseminate information on breast cancer to women, their families and health practitioners.

The national forum on breast cancer was held in Montreal on November 14 to 16, 1993 to determine priorities and directions in the areas of breast cancer prevention, screening, treatment, care, research as well as address issues relevant to survivors support, advocacy and networking. Throughout the event a number of common principles emerged, the need for better communication, collaboration, co–ordination at all levels and for greater consumer involvement.

The federal government has also committed $1.05 million over five years to the continued support and co–ordination of provincial breast cancer screening activities. To that effect Health Canada continues to assist with the activities of the Canadian breast cancer screening initiative.

Representation from the provincial and territorial ministries of health, existing provincial organized screening programs, the Canadian Breast Cancer Foundation, the Canadian Breast Cancer Network, the Canadian Cancer Society, the National Cancer Institute of Canada and Statistics Canada are all involved in the screening initiative.

In order to support activities to foster uniformly high standards of care a steering committee for the development of care and treatment guidelines has been established. It is composed of women living with breast cancer as well as representatives from organizations and groups responsible for delivering and implementing guidelines.

The Canadian Medical Association, the Canadian Nurses Association, provincial health ministries, the National Cancer Institute of Canada, representatives of provincial cancer agencies or their equivalent, the Royal College of Physicians and Surgeons of Canada, the College of Family Physicians of Canada, the Federation of Medical Licensing and Authorities of Canada and Health Canada are participating on the steering committee.

Ten specific topics related to the care and treatment of women with breast cancer have been selected as the starting point for their activities.

The point I am making here is that there are many individuals, groups and organizations involved in looking for responses and answers to the issue of breast cancer. In order to improve the scope and content of the professional–patient relationship a co–ordinating committee on professional education has been established. The committee has brought together professional associations and representatives. Survivors of breast cancer are a key to any work that has to take place and to all the components of the federal breast cancer initiative.

Survivors' views and perspectives drive the products being undertaken. Each component of the initiative has survivor representatives as well as women at risk.

It is important to note that survivor driven organizations form a key characteristic of the breast cancer information exchange pilot projects' overall information dissemination strategy. This strategy is built on the concept of collaboration with key partners, chief among whom are women at risk, survivors and health care providers.

I think I speak for everyone on this side of the House in addressing this issue and in affirming we want to work with all members, especially with the member for Yukon, to eradicate this problem in our midst. This issue will not be ignored.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I welcome this opportunity to speak in today's debate on Motion M–376, presented by the hon. member for Yukon. The motion proposes that the government should provide core funding that would be used to offer women diagnosed with breast cancer information on the various treatments available and on services provided by support groups.

The motion draws our attention to a major health problem for women in Quebec and Canada. Breast cancer, the incidence of which is certainly not declining, kills many women every year.

• (1800)

Despite the interest in improving the status of women in Canada and legislation and policies aimed at correcting the inequities women experience, it is a fact that the status of women still leaves much to be desired, compared with the status of men and that which remains to be done before women enjoy the same advantages as men.

I am very aware of and concerned about health care. I think it is important to remind the federal government that we urgently need a health care system that is adapted to womens' needs. The latest studies on women's health have made us realize that as far as health care is concerned, women's needs differ greatly from men's.

Financial resources dedicated to research on women's health are inadequate. There is a lack of resources for breast cancer research, gynaecology and obstetrics, research on chronic and degenerative diseases, mental health, violence, professional illnesses, the special needs of immigrant women, women of ethnic origin, native women, teenagers, elderly women, and the list goes on.

At the beginning of this session the Minister of Health told us how she intended to promote women's health. She described the programs her government intended to implement to remedy the inadequacies of the health care system in the treatment of women.

Unfortunately, that is not what happened. Since this government came to power, funding for health care has dropped steadily. This government has maintained a freeze on transfer payments to the provinces, which has meant a reduction in resources for the health care systems operated by the provinces.

In its latest budget, the government went even further by cutting $70 million from the budget of its own Department of Health, which has seen its general envelope shrink by 3.8 per cent.

The motion moved by the leader of the New Democratic Party reminds the government of the importance of supporting action taken to fight breast cancer.

Breast cancer is frightening. This disease kills women at a rate of one every 12 minutes in North America. During the past 30 years, this type of cancer has spread like a particularly nasty plague, and the only effective remedy remains prevention and early detection of the disease.

In Canada, the situation is not very encouraging. Canada has the highest rate of breast cancer in the world. Every year, 15,000 new cases of breast cancer are detected. Five thousand women will die of breast cancer this year. This is one death every two hours. In Quebec alone, nearly 1,500 women will succumb to this terrible disease. Every woman in Canada and Quebec has one chance out of ten of contracting breast cancer in the course of a lifetime. Earlier, my government colleague said one chance in nine. There may have been a decline, but it is still too high.

The results of a nationwide poll released last Thursday revealed that 41 per cent of women in Canada and Quebec saw breast cancer as the main threat to their lives.

It is high time effective steps were taken to conquer this disease. We need a cancer detection strategy that considers both genetic and environmental factors. In fact, that is what transpired from the final report of the National Forum on Breast Cancer tabled last fall. The report recommended immediately introducing national guidelines for medical practitioners, to inform physicians and encourage upgrading of their skills. So far, nothing has been done.

Also a public awareness and information campaign would be needed to inform and support breast cancer sufferers. This was in fact suggested by the hon. member for Yukon in her motion.

The best way to beat breast cancer is to invest in research. At the National Forum on Breast Cancer, the government promised to spend $20 million over five years. We hope it will keep its promise.

Although we realize that breast cancer is a scourge that has been ignored to a shocking extent by politicians and the medical community, the Bloc Quebecois must remind the government that health care is an exclusively provincial jurisdiction.

• (1805)

If the federal government decides to support the war against breast cancer in some way or other, we remind the government that it must do so in consultation with its provincial partners.

Many provinces have already introduced effective measures. In British Columbia, Ontario and now Quebec, provincial governments have launched extensive breast cancer detection programs. The Quebec government's plan aims to reduce the mortality rate by 25 per cent over seven years.

As long as there are places where a woman's life is valued less than a man's, women's health problems will tend to be ignored, to the detriment of their own lives, the well–being of their families and the development of their country. Throughout history, women have shown this extraordinary capacity for getting together and hammering out a consensus. Our present day societies, which seem to be marching only to the drum of economic and cultural globalization, need more than ever before what women have to offer.

For the sake of soaring profits, society is pushing an increasing number of people out to its margins and providing a breeding ground for many forms of fundamentalism. Women, because they are aware of the problem and of their strengths, will have to stand together to fight effectively against poverty and extremism.

If it is to develop harmoniously, society cannot afford to ignore women and the issues and problems they are facing. Women's health is one of the factors that has a direct impact on the evolution of women's place in our society. I maintain that we must take action where it will do the most good, in other words, we must invest in medical research now to find a cure for breast cancer.

We should act now by raising the federal government's financial support to the level of the commitments it made to the provinces when the Canada Health Act was passed. Women's health cannot but improve as a result.

[*English*]

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I commend the hon. member for Yukon on her initiative regarding this most worthwhile matter contained in Motion No. 376.

This morning the standing committee on health discussed this very matter, not in any great depth but with seriousness due to the subject matter. It was discussed from the perspective of what was being done in research in order to overcome breast cancer. We had before the standing committee this morning Dr. Henry Friesen, who is president of the Medical Research Council of Canada. Dr. Friesen commented that there has not been a cure found for this most dreaded infliction, which has indeed touched many families right across the country.

Perhaps the work being done by the standing committee on health can act as a coordinator to assist in carrying this forward so that the information will flow in the future.

Quite obviously, suffering from any illness brings an undue burden on anyone. Compounding it with the problem of lack of information is indeed unfair and unnecessary in this day and age. The hon. member's motion would ensure that women suffering from breast cancer are provided with all the information they may need and the counselling they may require. I suggest again that in this day in age that is only humane. When suffering from any illness, information regarding all types of treatment should be readily available and accessible to all. It should certainly be the patient's right to obtain any and all information and have immediate access to the same.

• (1810)

It is quite obvious in this case, as in many circumstances, that to have a support group, those who may have suffered or family members who have suffered in a similar fashion, can comfort, assist and indicate what might be expected in future days, weeks, and months, and can be a tremendous comfort to anyone suffering in this case.

Quite obviously a person cannot be expected to make such an important medical decision without having weighed all those possible alternatives that may be available. We are told that Canadians have the second highest rate of breast cancer in the world. It has hit, as I have mentioned before, almost every family in Canada in recent years, and that suffering continues today, day in and day out, from this dreaded disease.

The survivor led breast cancer support group would provide sufferers with an opportunity for the needed information and the support they so often lack. There is no question that this type of support group can be most helpful through their own personal experiences. It is time to realize that we must take action to help women with breast cancer in the best possible way while we wait for that cure to be discovered.

For this reason I am very happy to support the hon. member's motion this evening and I certainly to encourage my government to adopt a platform that will ensure that women diagnosed with breast cancer are provided with the information they deserve and need. We wait and hope for our ultimate goal of discovery of a cure to eliminate this dreaded suffering so that we need not have a group nor the suffering in the future. To quote from the Medical Research Council: "It is to promote, assist, and undertake basic applied clinical research in Canada in the health sciences and to advise the minister in respect of such matters relating to such research as the minister may refer to the council for its consideration".

We are certainly hopeful that through the research council and the work done through universities and other labs and tests here in Canada a cure for this dreaded disease will be found as soon as is feasibly possible. In the meantime, we certainly encourage all in the House to support the hon. member's endeavour in this particular motion to assist those suffering and to provide the assistance and expertise of support groups at the earliest possible date.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I too am pleased to rise to speak to this motion today.

In its simplicity, this motion on breast cancer funding can be looked upon as an opportunity to address a topic of specific interest and importance to women and of general interest and importance to everyone. I agree with my hon. colleague from Yukon that we need to address breast cancer as a new national priority.

• (1815)

In the address I will give looking at the whole issue of breast cancer, I bring to the forefront of the debate the extent and fit of government involvement. This is not simply a question of breast cancer funding but of government research funding as a whole. Who should regulate it, why and how?

Breast cancer is a disease that afflicts one out of nine Canadian women, placing Canada as the country with the second highest rate of breast cancer in the world. These statistics were already cited today but I am going to reiterate them. There are approximately 17,000 new cases diagnosed each year and over 5,000 deaths. Breast cancer is the second most frequently occurring form of cancer next only to lung cancer. These figures emphasize the scope and significance of this disease.

Although breast cancer is considered a women's disease it afflicts all Canadians in one form or another. We all have mothers, sisters, wives, girlfriends, if not ourselves who are very possibly at risk and one in nine will be diagnosed in her lifetime.

I have witnessed the physical and emotional devastation of breast cancer. As a teenager I watched a beloved aunt die slowly and painfully over a six–year period. Her cancer began in her breast and it was unstoppable.

Where does government belong in the battle against breast cancer? What would be the most effective use of scarce government resources targeted to breast cancer funding? I refer to the idea of creative productivity. Government does and should have a role in the fight against breast cancer. Let us not move too quickly to ask big brother to jump in to spend dwindling resources without thinking this through.

Government funded and operated initiatives have not always been the most efficient despite good intentions. We are all too familiar with the economic and bureaucratic nightmare of exploding costs that some government run programs can create. We need just to look at the current state of our health care system and its high degree of inefficiency.

Funding to breast cancer research has seen a surge over the past three years partly from government but more significantly from corporate funders and private individuals and programs. In 1990 less than $500,000 was committed to breast cancer research. Since 1992 the federal government has committed $20 million toward breast cancer research over five years. The Canadian Cancer Society has put up another $10 million. Corporate donors are expected to provide another $15 million.

In areas of medical research where what we are looking for are cures and preventative measures, government does indeed have a very important role to play. It already has a hand in regulation of scientific research but even here it is not the core funder. The private sector has been a much more impressive financial contributor to research into breast cancer. Certainly government's tardy involvement in breast cancer studies is further proof as to why we might want to look for a more collaborative effort between both public and private initiatives.

In 1986, unable to persuade the Canadian Cancer Society to change its policy on targeting funding, a group of Toronto women established the Canadian Breast Cancer Foundation. Since its inception it has collected well in excess of $1 million for research and education.

In 1990 the Canadian Cancer Society agreed to start accepting funds earmarked for specific cancer sites. All involved agree that it is largely due to survivor groups that the initiative came together.

Strength and courage are demonstrated by breast cancer survivors who, after being told that they have a disease that is almost surely disfiguring and far too often fatal, have had the initiative to organize themselves into impressive fundraising and information gathering organizations.

Pressured by women's organizations and survivor groups, the funding has grown to an estimated $15 million annually, up from $5 million in 1989. This funding is being put into research for not only cures but also causes.

Research into BRCA1 which is a gene believed to cause 2 to 4 per cent of breast cancers and studies examining the development of a vaccine to stop some kind of breast cancers in their attacks by activating the immune system are just two examples of current efforts to combat this deadly disease.

As of 1994 more than half of the financial resources of breast cancer research have come from non–government agencies and organizations. According to people I have spoken to within these organizations, they are not looking to government for financial support. Their argument is that financial support from government is all too often attached to government meddling. It is also perceived as unpredictable, particularly in light of current proposed cuts.

• (1820)

We must continue to encourage and invite collaboration between public and private groups. We would also be wise to continue to promote the independence demonstrated by many support groups.

I believe the hon. member's motion may have missed an important step and presumes that more government involvement is necessarily better. Would funding not be put to better use if it remained in areas of prevention and cure development? Then organizations which are already set up to provide support, information and education, such as breast cancer survivor groups and the Canadian Breast Cancer Foundation, are prepared to fulfil their supportive roles.

The reality of Canada's debt makes us cautious about inviting government to spend more money we do not really have. Therefore we encourage more creative means of funding in some of these areas.

The government is already allocating funds toward cancer research. Should we not leave it to those who know where that money is best spent to decide where to put it, rather than having government make that decision for them? Who better to make funding allocation decisions than those who have spent the better part of their lives studying and examining the disease? That is not to say they should be given a free hand, but once the money has been earmarked, then it is up to the scientists and researchers to do with it what is most needed.

As it stands, decisions on who should get what funding is tenuous at best when we see that it is often not necessarily the most needy who are getting a fair share of government funding. When some diseases responsible for taking less than one–tenth the lives taken from breast cancer are getting almost eight times the funding, the source of this decision must be questioned, that source being the federal government.

In 1993 the national forum on breast cancer referred to a holistic approach to the treatment and care of breast cancer, one that explicitly acknowledges both the non–medical and medical experiences for women and their families. It concluded that breast cancer has a profound physical and emotional effect on not only women with the disease, but very directly on their community of family and friends.

Let us not give exclusive invitations to government into our homes and personal lives. Government does have a role to perform in addressing breast cancer, but not at the expense of community based networks of support.

What we have advocated has been the need for Canadians to take charge of their lives and to some degree exclude government from the expectation of care. Family and community support must be encouraged, but this will not be done by making government responsible for providing those support groups. Women and families suffering from breast cancer and any debilitating disease need supports to give them strength together to survive and in a sense conquer these diseases, if not physically at least spiritually.

The national forum on breast cancer has also recommended a collaborative effort among government and corporate and private sectors. Acknowledging that government has neither the resources nor the ability to be the sole responsible actor in breast cancer initiatives empowers survivors and their families to beat this deadly foe.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I would like to speak briefly on the motion moved by the member for Yukon:

> That, in the opinion of this House, the government should provide core funding to ensure that all women diagnosed with breast cancer have access, through survivor led support groups, to information on the various treatments available in their community and local counselling services provided by peer support groups and survivors.

I commend the hon. member for this initiative because it is time that we acknowledged such a need.

Tomorrow a friend of the family is being buried. She died from cancer. Only the privacy of communication would preclude me from mentioning her name. This woman had contributed to the community, to the city of Winnipeg, to women's causes, to the university, and I would say to Canada and the world. In a sense learning of her death was timely in view of the debate on this motion.

• (1825)

It is known that when a patient suffers from any illness the immediate problem is the patient is met with shock. To a woman suffering from cancer that shock is even greater. During shock one of the best sources of support comes from her peers. Let us not underestimate the importance this group of people contribute to patient care.

We need all the information available for that patient to be able to make the informed consent. We equally need the counselling that will come from her peers. Norman Cousins, in *The Healing Heart*, emphasized the powerful influence of psychological factors in the cure and the care of any patient with cancer or other illness. This is now a recognized medical phenomenon and this motion calls our attention to that very need. I wish Canada had such a centre to study and to focus on the role and the importance of psychological counselling in the care of any patient.

I am told Canada has the second highest rate of breast cancer in the world. Let us hope that one day Canada would be last on the list. Recently in *Maclean's* magazine I came across the news of a new discovery that we can help to diagnose or anticipate the high incidence of cancer among women. If one demonstrates the increased density through the particular use of a technology, density in the sense that the proportion of the fibrous tissue in

relation to the fat and the glandular elements is more, then there is a high propensity for cancer.

Day in and day out we are developing technology that will allow us to make an early diagnosis, but when a diagnosis of cancer is made for any given woman, all resources must be provided. It is timely that core funding be given. The least we could do is help that individual woman with cancer.

The Deputy Speaker: There being no further members rising I wonder if the hon. member for Yukon wishes to rise to close the debate?

Ms. McLaughlin: Mr. Speaker, thank you for the opportunity. I thank members present today for their interventions.

Today's debate has shown this is not a partisan issue. A commitment to prevention and research for women suffering from breast cancer is something we must always bring forward. This is not just a women's issue as was pointed out by one of the speakers. This is an issue affecting all Canadians and all Canadian families, certainly my own family. I am sure that virtually everyone in the House has experienced something similar.

We must put action behind the words we have spoken today. There is a great need. We have all cited the statistics, but what will really address that need is to acknowledge that we must work with those who are sufferers of the disease, to help them—as I mentioned in my remarks, many people do recover—and to present a hopeful and a positive view. This is an issue that members of Parliament can seriously address.

To the member from the health committee, perhaps this is an issue they might wish to explore further in reviewing the recommendations of 1992 to see what has been accomplished and what yet remains to be accomplished. I thank all members for their comments.

[*Translation*]

The Deputy Speaker: The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

• (1830)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, a couple of weeks ago I directed a question to the Minister of Transport. At the same time I advanced the thesis that since the government wished to privatize the CNR part of the railway system in the country, he should give consideration to offering that railway to the farmers of western Canada to whom the government has offered $1.6 billion as part of the Crow benefit buyout.

Since the value of the railway appears to be approximately that amount, it seemed to be a very good match. It would have saved the government a considerable amount in brokerage fees and so on. It would have left future prospects for the country much better off, given the users would be in control of at least one of the national railways and would therefore presumably operate it in a manner that permitted and encouraged the continued use and export of products over the rail lines.

I am aware the government is constrained by a report it had created internally by a subcommittee which was set up basically to respond to an offer by CPR to buy out a section of the CN track through northern Ontario.

The committee offered a solution called commercialization to which the minister referred in his response. I submit to the minister and to his department that the concept of commercialization, as proposed in the committee, is terribly out of date even though it is only six or eight months old because since that time the government has made its decision to give the payout of $1.6 billion to prairie farmers. That payout may be considerably less than what was required and what should have been made under the circumstances of the long term, in perpetuity commitment that governments made with farmers almost 10 decades ago.

However, the parameters have changed. The amount of money on the table is equivalent to the value of CNR. It would save the government a considerable amount of dollars in brokerage fees to perform the switch. Farmers who are not interested due to retirement or proximity to the other railway in owning CN shares could take them to the market and get rid of them. Perhaps other resource users such as the potash, coal, sulphur and wood industries would use the opportunity to buy shares.

A system of control to the users makes sense, given the new paradigm of globalism that has emerged with the various trade agreements under GATT, et cetera. If we are to have viable industries and viable communities in Canada, this completes the all too necessary link of control from farm to port or from woods or mine to port that is required. The commercialization option that was proposed by the subcommittee of the Liberal caucus is out of date and no longer applicable. I urge the government to

abandon it and to look at up to date solutions that will have a much better chance of long term viability.

I give the minister and his government the example of prairie grain elevators during the teens when government elevators were purchased. They were all losers. They lost money. The government decided to privatize them. The farmers took them over as a co–operative. By having control of the elevators they have subsequently turned a series of losing operations into a winning proposition and now operate two of the largest world-wide co–operative grain companies.

That same economic ability would apply in the case of the railway. CN is now a losing operation. They could turn it around and make it useful to the whole of the country.

• (1835)

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it sounds to me as if my hon. colleague from Saskatchewan is talking about privatization if necessary but not necessarily privatization.

We on this side do not think that the report chaired by the hon. member for Kenora—Rainy River which followed nationwide consultations was out of date. We think it was quite up to date. It supported full commercialization of CN including participation by employees.

A range of factors has been considered in the process of commercializing CN, not the least of which is that the greatest possible value for taxpayer should be generated in the process.

I think all members would agree that commercializing CN must not impose restrictions on the company that would reduce its value or its competitiveness. Ideally it should be placed on a level playing field with its competitors and positioned to remain a viable force in Canadian transportation, to the benefit of our shipping community.

As the minister said, the sale of the government's equity will constitute the largest share issue in Canadian history. Through a public share offering the government, in seeking to generate the greatest value for taxpayers and to provide all Canadians with an opportunity to participate in this unique opportunity, wants to ensure a broad shareholder distribution throughout the issue.

Farmers as well as all interested Canadians, perhaps even a few people who live by the ports, will have an equal opportunity to invest in CN.

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, on May 3, I questioned the Minister of Citizenship and Immigration about the denial of visitors' visas to three Algerian actors, M'Hamed Benguettaf, Ziani–Chérif Ayad and Masrah El–Kalâa, by the Canadian embassy in Paris. They had been invited by the organizers of the Theatre Festival of the Americas, which will be held in Montreal in two weeks. Their play deals with the rise of fundamentalism in Algeria.

The minister has refused to intervene in this matter. He did so, however, in the almost identical case of Hafsa Zinaï Koudil, the Algerian filmmaker, whose application was supported by the Bloc Quebecois and by many organizations and personalities in Quebec.

One criticism I must make to the minister is that his policy and his decisions are often disjointed, inconsistent and unfair. Moreover, I find it unacceptable for immigration officials to demand Algerians provide written guarantee of their intention not to seek political asylum once inside Canada before issuing a simple visitor's visa.

I must point out that the vast majority of Algerians settle in Quebec and integrate well as a community, making a valuable contribution to Quebec society.

I would like to take advantage of this opportunity to pay tribute to Club 2/3 of Montreal, an organization for international co–operation, which recently celebrated its 25th anniversary. This organization has funded many projects to assist the poor in Africa, Asia and South America.

We must thank Club 2/3 for all of its work in this area and for its decisive contribution to heightening the awareness of young Quebecers to humanitarian aid and international solidarity.

A few Algerians have obtained refugee status in Canada. But the new immigration tax that the federal government imposed on February 28 prevented some of them from obtaining permanent residence, because they could not raise the required $975. In addition, the Department of Immigration refused to lend them the money, despite the assurances of the minister that this would not happen.

In such a context, these people who have been recognized as refugees can neither become permanent residents nor bring their families over, and that is inhumane.

I invite the minister and his government to be more open and to be more sensitive to the tragedy in Algeria and to the situation of people from that country who are seeking Canada's protection and aid.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, there are times when I weep for the lack of understanding on the other side.

As the hon. member knows, the Minister of Citizenship and Immigration does not have the power or the authority under the Immigration Act to overturn a visitor visa application. These were individual visitor visa applications, judged on their individual merits and on the basis of the information provided by the applicants. It is the responsibility of the government to facilitate the entry of genuine visitors to Canada.

A visa officer is required by regulation to refuse a visitor visa if he has reasonable grounds to believe the applicant will not leave Canada when the visa expires. A visa officer is bound to uphold Canadian law and to protect the interests of this country; and well my honourable friend knows this.

An applicant who is refused may make a new application and ask the visa officer to consider any new information they may wish to present. I would remind the hon. member that this is exactly what happened in the case involving the Algerian filmmaker, Ms. Koudil, who made a reapplication after she was invited to do so here in this House by both the minister and by me. Lo and behold, when the new information came forward she was admitted and went to the film festival.

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.42 p.m.)

HOUSE OF COMMONS

Wednesday, May 10, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

ENVIRONMENT

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, recently the Hamilton–Niagara region hosted a meeting of the environment ministers from the G–7 countries. My work on the House of Commons Standing Committee on Foreign Affairs has reinforced for me the necessity of acting on a global level. As nations, our economies and environments are intrinsically linked and must be addressed globally. The G–7 visit gave the Hamilton–Niagara region an opportunity to demonstrate its commitment to environmental sustainability.

As a well respected member of the international community, Canada has every reason to be proud of its environmental accomplishments in local communities like Hamilton–Niagara and on a national level. Later this year we will host the G–7 summit in Halifax. This will give us an additional opportunity to show the world Canada's achievements.

* * *

[*Translation*]

OPÉRATION DIGNITÉ

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, anyone who has watched the activities of Opération Dignité in eastern Quebec knows that it is fully committed to keeping small rural communities alive.

Today, I would like to pay tribute to one of the pioneers of Opération Dignité, Jean–Marc Gendron, who passed away recently. The heart and leader of Dignité II, he inspired people living in rural Quebec to live with dignity. Unfortunately, his relentless work negatively affected his health, which had been deteriorating for many years.

Jean–Marc, you gave your life so that others could take charge of theirs. Everyone living in rural areas thanks you. The foundation you created will ensure that you will never be forgotten. Thank you, Jean–Marc, and long life to all small rural parishes.

* * *

[*English*]

FORESTRY AND MINING INDUSTRIES

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, this week has been declared both national forestry week and national mining week. Last year these two industries jointly provided 421,000 direct Canadian jobs. For 1993, forestry and mining together accounted for $10 billion more to Canada's balance of trade, meaning exports minus imports, than the combined production of energy, automotive vehicles and parts, agriculture and fishing.

Last week I had the pleasure of attending the AGM of the B.C. Interior Lumber Manufacturers Association. Far from being a sunset industry, these people represent world leading companies, which are constantly inventing better ways to use our natural resources with improved environmental safeguards and full cooperation with all who depend on our beautiful but limited land base.

On behalf of all Canadians, I want to thank the forest and mining industries for their continued contribution to making Canada one of the most prosperous nations on earth.

* * *

FORESTRY

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, this is national forestry week in Canada and I want to bring to Parliament's attention the fact that this year's designated forestry capital of Canada is the town of Meadow Lake in northwest Saskatchewan.

This week Meadow Lake residents are celebrating the occasion in fine style, with events focusing not only on the forest but also on the outdoors, on youth, on children, on seniors and on the community itself.

The Meadow Lake forestry capital society has done a tremendous job to make this special week a successful one within the town. It deserves our support and congratulations.

At the same time, all parliamentarians must take account this week of the value of the forest to Canada's long term economic and environmental security. Forestry work can be well managed at the local and provincial levels, as has been illustrated in

Meadow Lake. However, there is a real and pressing role for the federal government in forestry matters.

During national forestry week we should renew our national commitment to the forest and all that it embodies.

* * *

LINCOLN HEIGHTS SCHOOL PRODUCTION

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, the students and teachers of Lincoln Heights school presented "We Canada, Oui", a variety show production in celebration of Canada, on May 3 and 4, 1995. Two hundred and fifty students from kindergarten to grade eight and their teachers recognized the Canadian arts and history by sharing their talents through acting, dancing, singing, and gymnastic displays.

With the Quebec referendum expected sometime this year, teachers Pat Wilson, Nancy Tanguay, and Sue Thorne–McCaffrey, coordinators of the show, proposed a theme celebrating Canada for a school–wide production as a way of supporting a united Canada and feeling good about our country. "We Canada, Oui" evolved into a total school effort as teachers and students from all grades at the school worked together and shared in the excitement of creating a performance that blended their efforts and originality with Canadian content and tradition.

The teachers and students of Lincoln Heights school, Waterloo, Ontario, are to be congratulated. The commitment to a united Canada, our youth, and our future are strengthened through efforts such as "We Canada, Oui".

* * *

HOUSING

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, last week I had the privilege of speaking to the Habitat for Humanity board of directors, whose members were meeting in Ottawa.

Habitat for Humanity is an international non–profit organization dedicated to the elimination of poverty housing. Habitat builds homes for low income families, relying on volunteer labour and donated materials from various sources.

[*Translation*]

Those who qualify for houses are required to pay a reasonable mortgage and the money they pay goes towards the construction of other houses. They must also help build their own and other Habitat houses. To date, Habitat has constructed more than 22,000 houses in 40 countries of the world.

In Vancouver East, my riding, they say that approximately 8,000 people are without acceptable housing. I am pleased to announce that my riding will be the first in British Columbia to have Habitat houses.

[*English*]

Habitat is truly a humanitarian effort. It is vital that we encourage the initiatives of organizations like Habitat for Humanity.

* * *

IMMIGRATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, yesterday the Reform Party and particularly its immigration critic again demonstrated that they have succumbed to the radical views of the extreme right in the United States.

The Reform critic finally bared his soul, not in the House, not in Canada, but at a right wing rally on the steps of the U.S. Capitol. He finally showed his true colours by sharing a platform with those who are promoting controls against immigrants, who link immigrants to violent crimes, and who accuse immigrants of murdering our children. In the Reform Party critic's comments he linked immigrants to violent crime, which he said is the number one concern of Canadians and Americans.

• (1405)

The Reform Party's persistent intolerance brings shame not only to this House but to all of Canada. The Reform Party does not speak on behalf of Canada, and Canadians will make sure that they never will.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, this morning's *Toronto Star* announced that the CBC's English network is forced to coproduce television shows with foreign companies, especially from the United States. Therefore, we will slowly but surely watch the Americanization of the CBC. This is neither a coincidence nor a deliberate change in the CBC's programming.

Could it be that the budget cuts affecting the English and French networks of the CBC are dramatically reducing the production of Canadian television shows? It is very likely that this is the case. The English network no longer has the means to produce its own shows.

The Liberal government is therefore presiding over the systematic dismemberment of what has long been cherished as a pillar of Canadian culture. The English Canadian culture, with the unwilling help of the CBC, is on its way to becoming a carbon copy of the North American culture.

[*English*]

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, the answers to my Order Paper Questions 134 and 138 clearly show that the Minister of Justice has no idea if his multi–million–dollar registration system is going to improve public safety, reduce violent crimes, or save lives.

He admitted he does not even know how many crimes have been solved by the 60–year old handgun registration system. He does not know how many seized handguns have been traced to their legal owners. He does not know how many legal handgun owners have been charged with a firearms offence as a result of a successful trace. He does not know how many legal handgun owners had their registrations revoked as a result of being convicted of a violent crime. He does not even know how many registered handguns have been used by registered owners in homicides, suicides, or other firearms–related crimes.

How much more evidence do we have to present before someone in the Liberal cabinet finally wakes up to the fact that the justice minister has not done his homework?

* * *

CANADIAN JEWISH CONGRESS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, on May 14 and 15 the Canadian Jewish Congress will be holding its 24th triennial plenary assembly in Montreal.

One thousand delegates from communities across the country will be gathering to elect the new CJC president, vote on policy resolutions, and participate in workshops and sessions dealing with a wide variety of national and international issues. These issues include anti–Semitism and racism in Canada; domestic social policy issues; national unity; Israel and Jewish communities throughout the world; and a commemoration of the 50th anniversary of the liberation of the Nazi death camps.

[*Translation*]

The theme of the meeting which will be held this weekend is "Going beyond history: Building a better future". The Canadian Jewish Congress, which works with many different communities, is an important non–governmental organization which fights for human rights, among other things. We hope that the CJC's discussions will be fruitful.

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QUEBEC FINANCE MINISTER'S BUDGET

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, the Quebec Minister of Finance tabled his first budget yesterday.

S. O. 31

This budget is a timid step—too timid—towards getting Quebec's finances on a sound footing. In fact, it is quite unfortunate that, for reasons that have to do with the referendum, the real decisions have been postponed until next year.

And what about the statement by the Quebec Minister of Finance that a vote in favour of sovereignty would prevent future tax increases in Quebec? This is, at the very least, an outrageous attempt to blackmail the people of Quebec.

Once again, the Péquistes have shown that no matter how important the items on the government's agenda, they are incapable of rising above petty politicking.

* * *

QUEBEC FINANCE MINISTER'S BUDGET

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, in a way I was glad that for once the Quebec government was talking about figures instead of their everlasting refrain about separation.

However, the Péquiste finance minister simply had to make a connection between tax increases and Quebec's constitutional future. Quebecers know perfectly well that separation may cost us a lot of money in taxes. They also realize that the spectre of separation creates an uncertain economic climate.

Let us look with optimism to the future and to the day when the Government of Quebec will be rid of this uncertainty and those who cause it and will consider taxing company profits, not payrolls, in an economy that works.

* * *

• (1410)

SITUATION IN SARAJEVO

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, with Sarajevo suburbs under intense and brutal bombardment, which has added 11 dead and 40 wounded to the casualty list in this conflict, UN peacekeepers are no longer able to protect the Bosnian capital from future Serbian bombardment since their commanding officer refuses to authorize NATO airstrikes.

We want to express our grave concern about the fact that the UN is powerless to defend this safe area. Need I recall that the Serbs continue to prevent the reopening of Sarajevo Airport, which has been closed to humanitarian flights for one month?

As the UN and NATO do nothing, the noose continues to tighten around Sarajevo, where Serbian tanks have re–entered the 20–kilometre exclusion zone and are firing mortar shells into the heart of the city.

We can only hope that the UN will quickly take control of the situation again, to prevent further casualties.

S. O. 31

[*English*]

OBLIGATIONS OF MEMBERS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, when I arrived in Ottawa almost two years ago I decided to make a concentrated effort to support the government whenever I thought it was doing the right thing. I gladly rise today to partially fulfil that pledge.

Reformers believe the duty of elected members to their constituents should supersede their obligations to their political parties. Three Liberal members recently adhered to those principles. I would like to congratulate the members for Kent, Huron—Bruce, and Timiskaming—French River for their commitment to the voters in their ridings.

Unfortunately, other Liberal members of Ontario have yet to illustrate the same commitment. They will be given the opportunity in the near future. Hopefully their ridings will be foremost in their minds at that time.

As long as the voters take second place to partisan politics in this House, the old saying about safety in numbers will not apply to Ontario's voice in Ottawa.

* * *

ONTARIO ELECTION

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, on June 8, 1995, Ontario voters will be going to the polls to elect a new provincial government. This time they will do it right.

In 1993 we promised to restore hope to Canadians while creating jobs and building a strong economy. The red book outlined some of these campaign promises. Over the last 18 months the Prime Minister has governed with integrity and honesty, as he said he would.

Last week Lyn McLeod unveiled the Ontario Liberal plan, reiterating that her party's top priority is to get Ontario working again after five years of NDP misery. On June 8 Premier McLeod will be able to put the Liberal plan into action, as we did 18 months ago.

I wish Lyn McLeod and all the members of the Liberal team success in their campaigns. On June 8 I will be supporting my provincial representative, Elinor Caplan, MPP for Oriole.

* * *

ONTARIO ELECTION

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, certain things always seem to go together: warm weather and barbecues, summer cottagers and Muskoka, an election in Ontario and a Liberal plan that works for the voters.

Municipalities across Ontario have benefited tremendously by our federal job creation initiatives, and specifically by the Canada–Ontario infrastructure program. When Lyn McLeod is premier of this province, Ontarians stand to benefit even more. Lyn McLeod and her Liberal team are committed to job creation and will work in partnership with the federal government to achieve the objectives of the infrastructure program.

The infrastructure program has been a resounding success. More than 14,000 jobs will be created in this province. All projects previously approved under the program will proceed fully funded and on schedule. That is the mark of good leadership, the mark that Lyn McLeod will bring to this province on June 8.

* * *

VETERANS

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, celebrations were recently held all across Canada and in parts of Europe honouring the thousands of veterans who fought in the second world war.

In my constituency I was privileged to take part in ceremonies held in Markham and Stouffville commemorating the 50th anniversary of the end of the second world war. It was indeed an honour to meet with these veterans and talk about their many memories of the battles that were fought.

During these conversations an extremely disturbing problem was brought to my attention by a group of veterans. They informed me that the Sunnybrook Medical Centre Veterans' Wing, located in Toronto, has recently raised the monthly in–residence rent by 35 per cent. This is having a major impact on some 300 veterans who reside in this clinic. I was extremely saddened by this news. These veterans gave the ultimate gift to our country and now they seem to be left to fend for themselves.

• (1415)

I urge the government to immediately intervene in the matter. These veterans simply cannot afford such a dramatic increase in their cost of living expenses.

* * *

PRESENCE IN GALLERY

The Speaker: Colleagues, before we begin question period, I would like to draw to your attention the presence in the gallery of Dr. Alfred Sant, Leader of the Official Opposition of Malta.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*Translation*]

TRANSFER PAYMENTS

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday in his budget speech, the Quebec Minister of Finance brought home the negative impact of the massive cuts to the federal transfer payments used to fund social programs, which were announced in February's budget. While hastening its financial withdrawal, Ottawa intends to maintain its national standards, indeed impose new ones.

The Quebec Minister of Finance said yesterday, and I quote: "By the end of the decade, the federal government will no longer be making any transfer payments to Quebec for social programs. In fact, Quebec will be making payments to the federal government".

My question is for the Minister of Finance. Would the minister confirm the conclusion reached by his Quebec counterpart to the effect that the massive cuts made in his most recent budget to transfer payments to the provinces to fund social programs will mean a shortfall of $650 million next year for Quebec and of $1.9 billion in 1997–98, if the federal government continues its practice of allocation on a per capita basis, as he himself has said?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we have discussed this repeatedly. The shortfall next year will be $350 million. As regards the following year, we will have discussions and negotiations to decide how we will allocate federal transfers to the provinces.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I am not surprised by the deficits we are running up, because the Minister of Finance seems unable to count. He continues to deny figures that are perfectly clear, figures arrived at through his own budget calculations.

Would the minister acknowledge that, as of 1999, in four years' time, Quebec will no longer receive any transfer payments for social programs, but will in fact have to send a cheque to Ottawa for the Canada social transfer paid to other provinces?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, ages ago, discussions were held between the provinces and the federal government, and tax points were transferred to the provinces as the result of these discussions. Quebec in fact received more tax points than other provinces.

However, the Minister of Human Resources Development, the Minister of Intergovernmental Affairs and I have clearly indicated our intention to begin negotiations with the provinces to enable both the federal government and the provinces to straighten out and stabilize public finances.

Now, as to the first point, where the Leader of the Opposition was finding fault with my figures, I would suggest that, if he does not agree with equalization payments, he should say so. However, if he agrees that Quebec benefits enormously from equalization payments, he will acknowledge that my figures are valid.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if I were the minister, I would feel somewhat embarrassed about alluding to equalization payments, given that his first act in January 1994 was to cap equalization payments thereby depriving the provinces of $1.5 billion over the next five years.

The minister acknowledges that the federal government is hastening its withdrawal from transfer payments for social programs. Under these conditions, how can he talk seriously of a cost effective and flexible federal system, when he will be depriving Quebec of $2.5 billion over the next two years and when Ottawa will no longer pay a cent to fund social programs by 1999, all the while maintaining its tax base and claiming to set national standards in Quebec?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I do not know where the Leader of the Opposition keeps getting these misleading figures, which have no basis in reality. Perhaps they help his argument. Some of his figures are global, but, as we have already said, we are going to have to negotiate with the provinces individually.

• (1420)

As for equalization payments, we have signed the agreement with the provinces. In other words, we have succeeded in reaching an agreement, something the previous government, of which the Leader of the Opposition was a member, had refused to do during its term of office.

* * *

KREVER COMMISSION

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health.

According to a midday report by the CBC's Johanne McDuff, the Krever Commission was told that, in the 1980s, Connaught Laboratories, the Canadian blood fractionation centre, got their blood product supplies from the United States and that most of the blood came from prison inmates in Pine Bluff, Arkansas, who are very high risk donors. To hide this fact, Connaught Laboratories put Canadian Red Cross labels on these products.

Given the seriousness of these revelations, does the minister intend to intercede with her colleague, the Minister of Justice and Attorney General of Canada, to get him to lay criminal charges against those who falsified products knowingly or were involved in these manipulations which had tragic consequences?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are taking these matters very seriously. We put aside $12 million for the Krever inquiry commission, and we want to wait for Justice Krever's report on the problems experienced with the blood supply system in the 1980s.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, we have had enough of the minister's irresponsible, thoughtless rhetoric in this matter.

Some hon. members: Hear, hear.

Mrs. Picard: Given the seriousness of this morning's revelations, does the minister not realize that she must take immediate action against those responsible for this scandal?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. member does not seem to understand how serious it is to ask a judge to conduct an inquiry. We must not interfere in these proceedings. It is up to Justice Krever to reach these decisions and to make representations to us before submitting his final report if he sees fit to do so.

* * *

[*English*]

GUN CONTROL

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, on legislation that affects traditional aboriginal hunting rights, the federal government has a constitutional obligation to consult in a prescribed manner with the James Bay Cree and the native bands of Yukon.

Section 24.4.26 of the James Bay and Northern Quebec Agreement states that all regulations relating to the hunting, fishing and trapping regime proposed by responsible governments shall be submitted to the co–ordinating committee defined in the agreement for advice prior to enactment.

Yesterday it became quite clear that the Minister of Justice failed to consult the James Bay Cree or the aboriginal people in Yukon on his proposed gun control bill in the prescribed manner. According to the Liberal chair of the justice committee this makes the entire legislative process unconstitutional.

Will the Minister of Justice put his bill on hold until he has consulted the James Bay Cree and the Yukon First Nations on his gun control bill in the prescribed manner?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, may I record my astonishment that such a question would emerge from the party that to date has refused to meet with aboriginal people, describing them as a special interest group.

That such a question would emerge from a party that has voted against every single piece of legislation introduced in the House to advance aboriginal rights and that less than a year ago voted against legislation giving rights of self–government to the Indians in Yukon to which the leader has referred.

The record will show that I consulted throughout the country before preparing the proposals that are engendered in Bill C–68. In addition to the consultations carried out in advance of the legislation, we have already put in place an elaborate and unprecedented process of consultation with the aboriginal leadership and communities throughout the country.

• (1425)

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, when the minister introduced his gun control bill he said, as he said again today, that it was the result of the most extensive consultative process known to man. He had consulted everyone from Elvis Presley to the ghost of Mackenzie King.

The evidence is now mounting to suggest the minister's information tour was neither extensive nor substantive in many instances. He forgot the legal requirements of the James Bay Cree agreement and the provincial politicians in Alberta and Saskatchewan say the minister's consultations were a joke.

Has the minister assessed the damage that can now be done to federal–provincial and aboriginal relations if the government rams through this defective bill in its present form?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, for a period of almost one year I have met with individuals, groups, associations and representatives of governments at all levels in the country to discuss firearms' control. That consultation has been complete and entirely in accordance with our legal and constitutional responsibilities.

To listen to the leader of the third party one would conclude that to him consultation means doing exactly what he would have us do. In fact, the consultations in which we have participated over this last year have resulted in a bill which is respectful of and responsive to the needs of aboriginal peoples, among others, in the country.

We will proceed with the legislation which is very much in the public interest.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, these allegations of deficiences in the consultative process are coming from the Attorney General of Alberta, the

Attorney General of Saskatchewan and representatives of the James Bay Cree.

What we have here with respect to gun control is yet another top down, made in Ottawa solution to a problem; the NEP, like the Charlottetown accord, like the TAGS program and a whole bunch of others. They start with an allegedly high level of consultation and high levels of support which then diminish as the provinces and the people get a look at the content and discover the flaws.

Is the minister willing even at this late date to listen and respond by incorporating legitimate concerns of Alberta, Saskatchewan, the James Bay Cree, the Yukon First Nations into his gun control proposals?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the contradictions in the hon. member's position are almost too numerous to identify in these brief moments.

Let me begin by observing that he is hardly in a position to champion aboriginal rights in the House of Commons. Second, this is the party of law and order that in not supporting Bill C–68, stands against the chiefs of police and frontline police officers.

This is the party that would have us listen to the people. The Attorney General of Alberta comes to this city and tells us he opposes gun control when his own public opinion poll shows that two out of every three people in his province are in favour of it.

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[*Translation*]

MANPOWER TRAINING

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, when the Quebec Minister of Finance announced yesterday that the Quebec government intended to implement a series of measures to give the province a real policy on manpower training, he requested that the unemployment insurance premiums levied in Quebec be reduced, and I quote: "These premiums are at any rate too high, given that the unemployment insurance fund is now in a surplus position and that the federal government is using some of the premiums to intervene in programs which are in fact our responsibility".

• (1430)

Does the Minister of Finance intend to follow up on his counterpart's urgent request to reduce the unemployment insurance contributions of Quebec businesses, which would prove that he is dedicated to job creation and that the federal government is moving towards withdrawing from the sector of manpower training?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, members of Quebec's business community clearly indicated at our meetings with them that they preferred to accumulate a surplus in their fund to ensure that there will be no need to increase premiums during the next economic downturn, like what happened during the last one. Such is our intention. We would certainly like to reduce them, but we would also like to keep them at that level once they are reduced.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, are we to understand by the Minister of Finance's evasive reply that he will continue to skim money from the unemployment insurance fund, to use the huge surpluses that he is generating by setting premiums too high to increasingly interfere in a sector where he has no business being and stifle Quebec's job creation efforts?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, if my answer seemed evasive, I will repeat it. It is the members of the business community in Canada, in Quebec, and in Montreal who asked us not to lower the premiums, but to create a surplus in the unemployment insurance fund, because they do not want to have to increase premiums during the next economic downturn, as such increases are a real hindrance to job creation.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, on December 7, 1994, in answer to a question regarding the extent to which the justice minister had consulted with the provincial attorneys general on Bill C–68, the justice minister stated in the House:

> Consultation was engaged continuously with officials in the offices of every provincial and territorial attorneys general, every one of them.

The attorneys general of Saskatchewan, Alberta and Yukon have flatly denied there was any serious consultation, let alone continuous consultation.

Will the justice minister explain the enormous contradiction between his statement to the House and the declarations of these attorneys general?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the statement that I made on December 7 was true then and it is true now.

The officials in provincial governments were kept abreast throughout the process last year. They were told exactly the proposals that were under consideration. The paper of November 30 came as no surprise to any of them.

In so far as the province of Alberta is concerned, we already know from the attorney general's poll in that province that two–thirds of the people of Alberta support the proposals.

As far as Saskatchewan is concerned, I suggest the hon. member wait until after the election in that province in June at which point this will become a lot less significant for that government.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, we have a good idea of what happened in Manitoba where the Liberals lost 50 per cent of their seats.

Aboriginal representatives from Yukon as well as the James Bay Cree claim a constitutional right to be consulted in the prescribed manner before the enactment of Bill C–68. Both groups claim consultation in the prescribed manner never took place. The James Bay Cree indicate their letters to the justice minister regarding the matter were never even answered.

How does the minister explain the violation of the constitutional rights of these aboriginal peoples?

• (1435)

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, neither the Department of Justice nor the government has any lessons to learn from the hon. member with respect to consulting aboriginal people.

During the course of past months I have visited the Inuit in the Northwest Territories. I have travelled to Yukon. I have been to the northern parts of every province to speak with aboriginal communities to learn their concerns and their perspectives on the issue.

I urge the hon. member to do exactly the same. Let him learn as I have the perspective of aboriginal communities. He will learn as I have the appalling fact that firearms are the leading cause of accidents and death in many of these communities.

We are confident we have complied with every constitutional obligation for consultation. That consultation continues and it will.

* * *

[*Translation*]

MANPOWER TRAINING

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the federal government is launching a series of pilot projects at Canada Employment Centres in Quebec. In Jonquière, for instance, we have one of the first single–wicket operations, where the federal government wants to control manpower training by bringing all agencies that provide manpower training under the aegis of the Canada Employment Centre.

My question is directed to the Minister of Intergovernmental Affairs. Does the minister realize that his government's pilot project directly contradicts a consensus in Quebec on the need for transferring manpower training to Quebec, and that this is an instance of direct provocation aimed at the Quebec government?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I thank the hon. member for his question.

The hon. member should know that the federal government has co–operated a great deal with the provincial governments throughout Canada. As a matter of fact, there are proposals tabled with the provinces that speak to the clarification of the responsibilities of both the federal and provincial governments to arrive at the delivery of a more efficient system so that at the end of the day the people of Canada, whether they live in Quebec or outside Quebec, can have the best possible service.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the Minister of Intergovernmental Affairs must know that the most important mechanism in this respect in Quebec is the Société québécoise de développement de la main–d'oeuvre. Would the minister agree that setting up an entirely new federal manpower network is a clear indication that Ottawa has no intention of transferring manpower training to Quebec?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, if the hon. member is interested in an intelligent discussion of the issue, perhaps he should know that Human Resources Development Canada had approximately 50,000 labour market contracts in Quebec; 9,600 contracts with non–profit organizations; 9,300 contracts with private sector firms; and 2,800 contracts with public sector organizations.

The point I am making is that there is a need to deal with these individuals. At the end of the day Quebecers will realize that there is a role for the federal government to play in co–operation with the provinces and local organizations.

* * *

GUN CONTROL

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, my question is for the minister of Indian affairs.

Since the minister was instrumental in establishing a modern agreement with the natives of Yukon, why has he not insisted on consultation with the justice department in the creation of Bill C–68?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, last September I had the privilege of visiting the Yukon territory, meeting with representatives of the Council for Yukon Indians, discussing with them their perspective on firearms, reviewing the options, going to communities like Kwanlun Dun outside Whitehorse, meeting with members of those communities, talking about the way

firearms are used as tools, talking about community needs and becoming sensitive to perspectives of the aboriginal communities on the issues.

That perspective is reflected in Bill C–68. I point out, as the hon. member will know as a member of the committee that is considering it, that section 110(t) of Bill C–68 provides expressly that provision can be made for the manner in which the bill is implemented in aboriginal communities, including those in Yukon.

• (1440)

That is the kind of approach we think is right to achieve community safety while respecting the aboriginal perspective.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, he is talking about something once it becomes law. I guess the real problem is that big city lawyers do not understand the word consultation.

According to the agreements consultation must take place when any legislation may have an impact on hunting and trapping activities. It seems strange to me that consultation takes place after the legislation has received second reading.

Is the minister prepared to listen to the recommendations of Yukon natives who say to stop the proceedings until the proper procedures are followed?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, September of last year was some five months before the bill was tabled in the House. That was consultation before the tabling of legislation.

As far as the point of view of the people of Yukon is concerned, the committee of which the hon. member is a part is now listening in detail to the evidence of witnesses. I have no doubt they will have proposals to make to improve the legislation, but in the final analysis the government remains persuaded that the bill, its provisions and its approach, is exactly what is needed to enhance community safety throughout the country.

* * *

[*Translation*]

AGUSTA

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of Public Works.

In the matter of the cancellation of the contract to purchase EH–101 helicopters worth nearly $6 billion, the Parliamentary Secretary to the Minister of Public Works confirmed in April that the government was now negotiating with Agusta the amount of compensation it would have to pay the E.H. Industries consortium.

Would the minister of public works agree that the government should stop all negotiations with Agusta and conduct a judicial investigation into the circumstances around the awarding of the EH–101 contract, considering the many serious charges of corruption and misappropriation of funds pending against Agusta in Europe?

[*English*]

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): No, Mr. Speaker.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, at least the minister is consistent.

How can the minister justify continuing talks with Agusta without first investigating the actions of this company as demanded by the Minister of Human Resources Development in April 1993? Does his answer mean that the government is prepared to turn a blind eye and negotiate compensation payments that may be as much as several hundred million dollars? What is at the bottom of this?

[*English*]

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, very briefly, a contract was consummated. A contract has now been nullified. We are in the process of negotiating that contract. When it is complete the House will become aware of its details.

* * *

ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, my question is for the Minister for the Atlantic Canada Opportunities Agency.

The issue of investment is extremely important to small and medium size businesses. They may not be interested on that side, but the issue of investment is extremely important across Atlantic Canada.

Given recent media coverage of the meeting of the minister with the four Atlantic premiers and the chartered banks on a proposed Atlantic investment fund, will the minister now inform the House on the status of the proposal?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I thank the hon.

member for the unexpected question and share with members of the House that the Atlantic region is the only region of the country that does not have a venture capital fund.

On behalf of the Government of Canada and the four Atlantic premiers I met with representatives of the chartered banks. We had a very comprehensive and detailed discussion on such a proposed fund as an Atlantic venture capital fund. We assured representatives of the banks, I on behalf of the Government of Canada and the premiers on behalf of the provincial jurisdictions, that in no way would governments want to operate such a fund as the Atlantic venture capital fund.

As a result a working committee has been struck. It is being led by the president of ACOA. We are working on a regular basis with the banks.

● (1445)

I hope in due course I will be able to come back to the House and provide more details relating to the Atlantic venture capital fund enhancing opportunities for businesses in Atlantic Canada.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, yesterday the solicitor general stated that he could not confirm the assertion that Luke Desilets was recruited to CSIS to spy on the Aryan nations because he was respecting the law that was passed by this Parliament.

However, previous solicitors general have publicly identified Warren Hart, Claude Morin and Marc Boivin as RCMP security service or CSIS sources. These ministers stated that they were at liberty to do so because these individuals had identified themselves as human sources. Luke Desilets also identified himself as a human source for CSIS.

Will the minister now follow in the tradition of these previous ministers and confirm that Luke Desilets was a CSIS source?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, as we very well know, the matter is currently being investigated by CSIS. I am not at liberty to comment on the operations of CSIS.

I should add there is also SIRC which has the mandate to look into this and possibly make a recommendation to the government and to the service in relation to this matter as raised by the opposition member.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I am disappointed that the minister, through the parliamentary secretary, continues to hide behind section 18 of the CSIS Act. If he would read down to section 18, paragraph 2, he would see that Parliament also gave him the authority to reveal the identity of a source just like his predecessors did.

The solicitor general still appears reluctant to use the power at his disposal. I ask the parliamentary secretary: Is it the intention of this government to be even more secretive than the previous Conservative government?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, CSIS has a specific mandate to look into any problems that might arise in so far as it concerns the security of Canada. This is one allegation we are looking into. I can assure the hon. member that we have a process in place. It is working. It has worked in the past and I am sure it will work in the future.

* * *

[*Translation*]

HIGH SPEED TRAIN

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my question is directed to the Minister of Transport. On November 1, 1991, the Transport ministers of Canada, Quebec and Ontario announced they would share the cost of a $6 million feasibility study on operating a high speed train similar to the TGV in the Quebec–Windsor corridor. This study was to be finished not later than November 1993, and the agreement between the three governments expired on March 31, 1994.

Since the study has yet to be submitted to the minister, could he explain why the report has been delayed for more than 16 months and tell us what he is doing or intends to do to put an end to this unacceptable situation?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I want to thank the hon. member for his question. It is a rather tricky situation. Since three governments are involved—the Government of Quebec, the Government of Ontario and the federal government—a consensus among all three governments is essential before the study is submitted to the responsible minister and published.

Discussions are continuing to see if we can reach a consensus on the report. In fact, our deputy minister met his Quebec counterpart not long go, and the change of ministers in Ontario may have delayed things as well.

We are still waiting for all three governments to agree so there will be at least a consensus on the issue.

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my supplementary is also directed to the Minister of Transport.

Considering the studies he already has, including the joint study by Quebec and Ontario, why will the minister not at least take a preliminary position on this high speed train project which, first of all, would provide us with expertise that would be eminently exportable; second, would create thousands of jobs,

and third, would be financed to a considerable extent by the private sector?

• (1450)

The Speaker: Hon. members, I will give the minister the floor but I would like to point out that a question does not have three or four parts. It is one question. The Minister of Transport.

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I want to emphasize that we are all anxious to get to the end of this exercise. It has been a costly one. There have been a lot of studies. There has been a lot of expense on the parts of the Government of Ontario, the Government of Quebec and the Government of Canada.

It would be highly irregular after all the time and effort put into this by three governments to have the Government of Canada set out its policy unilaterally. That is one of the things I hear my hon. friends in the opposition refer to constantly as being an improper way for the Government of Canada to act. When we consult and try to arrive at a consensus, it is not acceptable. When we try to dictate terms, it is not acceptable. We will just do the best we can to bring this to a conclusion as quickly as we can.

* * *

MINISTERIAL REGIONAL OFFICES

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, we have been provided more evidence of how the Liberals go about giving the impression they are meeting their promises in the red book.

One of the promises was to cut $10 million from ministerial offices. We have a document to all ministers from Treasury Board dated April 27. It states that although current policy requires that 100 per cent of the costs of regional offices be charged to ministerial budgets "indications are that some departments have been absorbing these charges", not the ministerial budget.

Would the President of the Treasury Board tell the House which departments are engaged in the cooking of the books, which is illegal according to the Financial Administration Act?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the premise to the question is all wrong. The government did cut $10 million from ministerial budgets, including the office of the Prime Minister. As led by that commitment, it has made those cuts.

The ministerial regional offices continue to be operated in a way that is most cost efficient and will be subject to further cost efficiencies in the future. The minister of public works indicated the other day that we have closed a number of them already. They are all being handled in a proper fashion.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is rather ironic that the President of the Treasury Board said that.

I want to quote again from this document we have. "The cost sharing will in effect allow ministers to respend the amount thus saved. This will result in an increase to the costs of running ministers' offices".

My question is for the Deputy Prime Minister. Since the Prime Minister's office provided concurrence on this financial sleight of hand designed to fool the taxpayers, will the Prime Minister now come clean and table a full report showing which ministers' offices are practising these hocus–pocus politics?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, again the preamble is all wrong.

These ministerial regional offices are provided not only for ministers who are resident in the cities in which they are located but also for visiting ministers to conduct government business. The Treasury Board continues to examine the operation of these facilities. It will be making changes to ensure that they continue as in the past to be operated in the most cost efficient fashion.

* * *

NEWFOUNDLAND DOCKYARD

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, my question is for the Minister of Transport.

There is a great deal of uncertainty surrounding the future of the Newfoundland dockyard. Currently only a few tradespersons are working at the dry dock, down from 850 last year. Given the importance of the dockyard to the economy of St. John's will the minister inform the House about his plans for the dockyard?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the question of the dockyards in St. John's is one that has been discussed very thoroughly.

We have advised the president of Marine Atlantic to look into the commercialization of all the activities of Marine Atlantic, including the dockyard at St. John's.

The future of the dockyards at St. John's lies completely in the hands of the management of Marine Atlantic and especially the workers at that facility. We lost in excess of $3 million there last year. We do not intend to have that happen again.

• (1455)

Unless we can find a buyer for the dockyards at St. John's or a better solution than what we have been able to come up with so far, there will be no alternative but to close it. I hope that will not be the result of the work we have undertaken there. The board of directors and the president of Marine Atlantic have been given a

very clear directive that we have to commercialize the activities of that entire operation. That includes the dockyard at St. John's.

* * *

[*Translation*]

BOVINE SOMATOTROPIN

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is for the Minister of Agriculture. Part III of the Estimates of the Department of Agriculture provides that, and I quote: "Dairy policy is expected to be a focus of analysis in 1995–96 and will cover the impact of the introduction of recombinant bovine somatotropin (rBST) in Canada".

In view of the fact that available studies appear not to contain sufficient information to permit the marketing of the hormone and that the Department of Health has not announced any change in this regard, how does the minister explain the hormone's expected arrival on the scene this year?

[*English*]

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I think the hon. gentleman is perhaps misinterpreting that particular phrase used in part III of the estimates.

Obviously the issue of RBST use in Canada is under investigation at the present time in two different forums. One is the established legal regulatory forum which is under the jurisdiction of my colleague, the Minister of Health. As I understand it the appropriate officials in the Department of Health have not yet arrived at any determination as to what some future decision may or may not be with respect to RBST use in Canada.

Last year a second analysis was undertaken quite apart and independent from the regulatory jurisdiction of the Department of Health. That study was initiated by the agriculture committee of the House of Commons. It held public hearings and made a number of recommendations, including the proposal that whatever the regulatory decision of the Department of Health might turn out to be that at least for a one–year period the potential use of RBST in Canada ought to be delayed.

Some hon. members: Time.

Mr. Goodale: We negotiated that delay with the companies. A task force has been analysing a variety of questions in the meantime. That task force report has been submitted to me. I have provided a copy of the task force report—

Some hon. members: Order.

The Speaker: The hon. member for Prince George—Peace River.

* * *

ABORIGINAL AFFAIRS

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I am in receipt of a letter sent to the minister of Indian affairs on March 21 by members of the Yellow Quill band in Saskatchewan. In it there are serious allegations regarding the misuse of band assets, capital project funding and housing moneys. As of February 14 the band was running a $2 million deficit. Band members have called upon the minister to uphold his fiduciary obligation and make their chief and council account for all spending.

The minister has had this letter for a month and a half and his officials have known about this problem for much longer. What has the minister done about it?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, in the absence of the minister of Indian affairs I will take the question under advisement.

* * *

SOCIAL PROGRAMS

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Finance.

As he will know, under Bill C–76 the Canada social transfer section clearly is a fundamental restructuring of Canada and of our national health care and social programs. A United Nations committee has expressed concern. I do not believe that anywhere in the very much mentioned Liberal red book was it suggested to the Canadian public that we would fundamentally adopt a Reform Party policy in transferring these programs to the provinces.

Given the fundamental restructuring that this section on the Canadian social transfer represents, would he appoint an independent commission? We have done this in the past with the Hall commission and the Macdonald commission. It could study this particular section and come back truly with an independent view of what this means for the future of Canada.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as has already happened a couple of times today, the premise of the question is absolutely wrong.

The fact is that the CHST enables the federal government along with the provincial governments to maintain in place a sustainable and highly progressive set of social programs.

• (1500)

The Canadian health and social transfer enables the federal government to keep its covenant with Canadians that there will be no residency requirement for welfare and its even greater covenant that the principles of the Canada Health Act will never be taken away from us.

* * *

INTERNATIONAL MARKETS

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, my question is for the Minister of Finance. Throughout its history Canada has benefited from periodic infusions of capital investment from countries across the globe. In recent years however, foreign investors have viewed Canadian markets with some reluctance.

Can the minister inform the House what is being done to improve the attractiveness of Canada to foreign investors?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the premise of the question is dead on.

It is very important for Canada to maintain a good climate for investment. That means a sound balance sheet. That is why we are so pleased the budget of last February was so well received by the international markets and by Canadians.

At the same time we have to recognize that as a low inflation country for which we paid a very dear penalty we must maintain the tremendous asset of low inflation and very high productivity of our workforce.

We must congratulate the Minister of Human Resources Development for this transition from passive to active support. The new industrial policy is trade policy with the trade mission of the Prime Minister. I would congratulate my colleague the Minister for International for International Trade.

* * *

PRESENCE IN GALLERY

The Speaker: Colleagues, I wish to draw to your attention the presence in the gallery of a Canadian ski legend. She was a gold and silver medalist in the 1968 Winter Olympics in Grenoble, France.

Nancy Greene–Raine, you honour this House.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 42 petitions.

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INTERPARLIAMENTARY DELEGATION

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, as deputy chair of the Canadian Group, Inter–Parliamentary Union, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian Group, Inter–Parliamentary Union.

This is the report of Canada's official delegation to the 93rd Inter–Parliament Conference held in Madrid, Spain, from March 27 to April 1, 1995.

* * *

[*English*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 76th report of the Standing Committee on Procedure and House Affairs regarding the selection of votable items in accordance with Standing Order 92.

Those items are Bill S–7 in the name of the hon. member for Brant; Bill C–316, the hon. member for Cambridge; Bill C–319, the hon. member for Edmonton Southwest; Bill C–267, the hon. member for Québec; Motion No. 382, the hon. member for Mississauga South and Motion No. 381, the hon. member for Nanaimo—Cowichan.

This report is deemed adopted on presentation.

While I am on my feet I also have the pleasure to present the 77th report of the Standing Committee on Procedure and House Affairs.

[*Translation*]

It is about the form used in the Journals of the House of Commons for the Speaker's tabling of supply bills for royal assent.

• (1505)

PETITIONS

VOICE MAIL

Mr. Benoît Tremblay (Rosemont, BQ): Mr. Speaker, pursuant to Standing Order 36, I am submitting two petitions signed by over 500 people from my riding and from neighbouring regions.

Given that seniors are generally at a loss when faced with voice mail technology, and considering that they need personalized service, especially regarding their enquiries on guaranteed income, these petitioners demand that the government suspend implementation of voice mail for seniors' services and maintain the personalized services that they so require, as the Bloc Quebecois has already demanded several times.

[*English*]

RIGHTS OF THE UNBORN

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I have 15 petitions.

The first five petitions contain 324 signatures. The petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the next five petitions contain 456 signatures.

The petitioners pray that Parliament not repeal or amend section 241 of the Criminal Code in any way to uphold the Supreme Court of Canada decision of September 30, 1993 to disallow suicide and euthanasia.

HUMAN RIGHTS

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the final five petitions contain 475 signatures.

The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition that has been circulating across Canada.

This particular petition has been signed by a number of petitioners from the Lethbridge, Alberta area. The petitioners would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home to preschool children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

GOVERNMENT SPENDING

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I have three petitions that I am pleased to present in the House today on behalf of the constituents of Yorkton—Melville.

The petitioners state that Canadians are already overburdened with taxation due to high government spending. As the Saskatchewan government is on the verge of balancing its budget, allowing Saskatchewan taxpayers to see the light at the end of the tunnel, the petitioners request that Parliament reduce government spending instead of increasing taxes.

Those who signed these petitions urge the government to please consider this.

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I have another 52 petitions which are all very similar. They are signed by over 1,200 people from the provinces of Ontario and Saskatchewan, including my riding of Yorkton—Melville.

All the people who signed these petitions are concerned about the public safety of all Canadians and feel that the existing controls on law–abiding, responsible firearms' owners are more than enough to ensure that safety.

They therefore call on Parliament to support laws that will severely punish all violent criminals who use weapons in the commission of a crime, to support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own and use recreational firearms, and to support legislation that would repeal or modify existing gun control laws which have not improved public safety or have proven not to be cost effective or have proven to be overly complex so as to be ineffective or unenforceable.

• (1510)

JUSTICE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise again to present another petition in this course of action undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law-abiding citizens and the families of the victims of convicted murderers.

ASSISTED SUICIDE

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I am pleased to present to the House petitions from my constituents of Langley and Abbotsford, British Columbia.

The first petition asks Parliament to ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, the second petition asks that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

GOVERNMENT SPENDING

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36, I would like to present two petitions from the residents of my constituency.

The first petition is from residents of the Caslan-Boyle area. The petitioners ask that Parliament achieve a balanced budget through reductions in government spending rather than tax increases.

HUMAN RIGHTS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, the second petition is from residents of the community of Athabasca.

The petitioners ask that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval for same sex relationships or homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

GUN CONTROL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I would like to present two petitions dealing with the firearms legislation, one with wording very similar to that of the petition presented by the hon. member for Yorkton—Melville.

The second petition calls on Parliament not to accept the justice minister's anti-firearms proposal and insists that he instead bring forward legislation to convict and punish criminals rather than the innocent.

GOVERNMENT SPENDING

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I have a third petition to present, again from the residents of Kootenay West—Revelstoke.

The petitioners call on the government to reduce government spending instead of increasing taxes.

I trust all members will keep that in mind when we vote this afternoon.

JUSTICE

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, it is an honour to present three petitions today.

Two of the petitions ask Parliament that in light of the murders of Melanie Carpenter, Pamela Cameron, Jesse Cadman and many others, to make the following changes in the criminal justice system: to rescind the mandatory release legislation where violent offenders are involved; to ensure all information about violent offenders, including prior offences and refusal to enrol in treatment programs is provided to those making decisions on release of parole; and to separate violent offenders from society until it can be proven they will not reoffend.

I concur with the petition.

GUN CONTROL

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, the third petition is signed by 68 residents of Surrey and the surrounding area.

The petitioners request that Parliament reject the justice minister's gun control proposal and call on the minister instead to bring forward proposals which will enable the police and the courts to deal quickly and firmly with perpetrators of violent crimes of all types.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, questions Nos. 162 and 165 will be answered today.

[*Text*]

Question No. 162—**Mr. Harper (Simcoe Centre):**

What was the cost of the advertisement placed by the FBDB on pages 80 and 81 of the December 5, 1994, issue of MacLean's magazine, what are the criteria for the purchase of advertising by the FBDB, and how much money was spent on (*a*) magazine, (*b*) newspaper, (*c*) radio, and (*d*) television advertising by the FBDB in each year since 1988?

Hon. John Manley (Minister of Industry, Lib.): There was no Federal Business Development Bank (FBDB) advertisement placed on pages 80 and 81 of the December 5, 1994 edition of Maclean's.

FBDB placed an advertisement on page 49 of the November 28 edition and on page 101 of the November 14 edition. Both were part of FBDB's national advertising campaign. The November 28 advertisement was free, *i.e.*, at not cost to the FBDB.

The regular price for an advertisement like the one full page, four colour, that appeared in the November 14 edition of Maclean's is $27,480. The actual cost to FBDB for that ad was $23,076, representing 19 per cent off the regular price.

It should be noted that FBDB advertising is entirely paid for by the bank, which operates on a full cost–recovery basis in its financial services.

In its last examination report to the FBDB 1993, the office of the auditor general noted that the bank lacked comprehensive plans for marketing its services. To address this concern and achieve its objectives related to the complementary lender role of the bank, the bank seeks the expertise of external experts to develop, co–ordinate and implement national advertising campaigns, in order to maximize its impact with target audiences and minimize its costs.

Therefore, the purpose of FBDB advertising is to accurately and timely inform as many small and medium sized businesses as possible and potential entrepreneurs of the availability and nature of the innovative financing and management products and services offered by FBDB.

FBDB national advertising is limited to print, media, such as magazines and newspapers. FBDB does not advertise on a national basis on radio or television.

A smaller annual budget is allocated to each of the bank's 78 branches nation wide for the placement of local advertising in their community. Branch managers typically use the most effective local print media for reaching small and medium sized businesses and promoting local financing and management services programs offered by the bank. Exceptionally, a very small proportion of local radio advertising may be used. No television is used.

As mentioned, there is no national advertising on radio and television and only print media are used. A specific breakdown, along the categories listed above, is not recorded. Total amounts spent during past fiscal years since 1988 are as follows:

Fiscal Year	National Campaign	Local Advertising
1988	$1,136,918	$403,423
1989	$1,191,412	$510,955
1990	$967,939	$314,797
1991	$1,374,337	$343,924
1992	$920,019	$298,011
1993	$525,241	$309,906
1994	$373,606	$247,203

Total amounts spent for fiscal year 1995 are not yet available.

Question No. 165—**Mr. Hanger:**

What were the acceptance versus rejection rates of each of the Immigration and Refugee Board regional hearing offices in December 1994 and January 1995 versus the same period a year earlier?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.):

	December 1993		December 1994	
Regions	% Accepted	% Rejected	% Accepted	% Rejected
Ottawa/ Atlantic	84	16	88	12
Quebec	64	36	76	24
Ontario I	48	52	76	24
Ontario II	54	46	78	22
Prairies	53	47	87	13
B.C.	53	47	83	17

	January 1994		January 1995	
Regions	% Accepted	% Rejected	% Accepted	% Rejected
Ottawa/ Atlantic	93	7	94	6
Quebec	70	30	73	27
Ontario I	53	47	81	19
Ontario II	62	38	71	29
Prairies	60	40	92	8
B.C.	47	53	84	16

[*English*]

Mr. Milliken: I would ask that all remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Stinson: Mr. Speaker, I rise on a point of order. On April 26, 1994 I submitted Question No. 40 on the Order Paper regarding government grants to businesses. I asked for an answer within 45 days.

I will ask again. When will the government please give me an answer to this question?

Mr. Milliken: Mr. Speaker, the government has been working assiduously on trying to get a response to the hon. member's question.

• (1515)

In fairness to the government—and I acknowledge that the delay has been significant in this case—the hon. member must be aware that the question asks for information from every government department. There has been real difficulty trying to determine which grants made to persons are grants to businesses. In the sense of the hon. member's question, he asks for grants to businesses. It is often difficult for departments to tell if a grant to an individual was a grant to that person's business or to the individual.

Given the complexity of the question and the numerous departments that have to be canvassed, the hon. member will have to exercise his usual patience and wait until the government gets the answer together.

* * *

MOTIONS FOR PAPERS

The Deputy Speaker: I should inform the House that earlier today the only notice of motion for the production of papers on the Order Paper was withdrawn.

(Motion withdrawn)

* * *

[*Translation*]

WAYS AND MEANS

EXCISE TAX ACT

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.) moved that the ways and means motion to amend the Excise Tax Act and the Excise Act tabled in the House on April 25, 1995, be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 212*)

YEAS

Members

Allmand	Arseneault
Assadourian	Bakopanos
Barnes	Bellemare
Bevilacqua	Blondin–Andrew
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélanger	Calder
Campbell	Catterall
Cauchon	Chamberlain
Clancy	Collins
Comuzzi	Cowling
Crawford	Culbert
Discepola	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Fewchuk
Finestone	Flis
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gallaway	Gerrard
Godfrey	Goodale
Graham	Grose
Guarnieri	Harb
Harper (Churchill)	Hickey
Hopkins	Ianno
Iftody	Jackson
Jordan	Keyes
Kilger (Stormont—Dundas)	Knutson
Lastewka	Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Loney
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Marchi	Martin (LaSalle—Émard)
Massé	McCormick
McKinnon	McLellan (Edmonton Northwest)
McTeague	McWhinney
Mifflin	Milliken
Minna	Mitchell
Murray	Nault
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Peters	Peterson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Rideout	Ringuette–Maltais
Robichaud	Robillard
Rock	Rompkey
Scott (Fredericton—York—Sunbury)	Serré
Sheridan	Simmons
Skoke	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
Telegdi	Terrana
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Wappel	Whelan
Young —119	

NAYS

Members

Abbott	Ablonczy
Althouse	Asselin
Bellehumeur	Bergeron
Bernier (Gaspé)	Breitkreuz (Yorkton—Melville)
Bridgman	Brien
Brown (Calgary Southeast)	Bélisle
Canuel	Chatters
Daviault	Debien
de Savoye	Deshaies
Duceppe	Dumas
Duncan	Fillion
Frazer	Gauthier (Roberval)
Godin	Gouk
Grey (Beaver River)	Grubel
Guimond	Harper (Calgary West)
Harper (Simcoe Centre)	Hayes
Hermanson	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Jacob	Johnston
Lalonde	Landry
Lavigne (Beauharnois—Salaberry)	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	Martin (Esquimalt—Juan de Fuca)
Mayfield	Meredith
Ménard	Nunez
Paré	Picard (Drummond)
Pomerleau	Ramsay
Ringma	Rocheleau
Silye	Solberg
Stinson	Taylor
Thompson	Tremblay (Rimouski—Témiscouata)
Tremblay (Rosemont)	Williams—64

PAIRED MEMBERS

Bachand	Baker
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Caccia	Caron
Chan	Chrétien (Frontenac)
Cohen	Collenette
Copps	Crête
Dalphond-Guiral	DeVillers
Dubé	Finlay
Gaffney	Gagnon (Québec)
Guay	Harvard
Hubbard	Kraft Sloan
Langlois	Laurin
Lebel	Leblanc (Longueuil)
Lincoln	MacAulay
MacDonald	Marchand
O'Brien	Plamondon
Sauvageau	Speller
St-Laurent	Tobin

• (1525)

The Deputy Speaker: I declare the motion carried.

(Motion agreed to.)

[*English*]

Mr. White (Fraser Valley West): Mr. Speaker, sorry, I was unavoidably detained when the question was put talking about the government's lack of integrity with the press.

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed from May 9, 1995, consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee and on the motion that the question be now put.

Mr. Hermanson: Mr. Speaker, on a point of order, I understand that probably the standing orders were not broken by the fact that we held a vote without a 30–minute bell. However, I am concerned that a precedent is being set that is not wise. There was not all party agreement that we suspend the normal 30–minute bell. It does make it difficult to keep members here and to allow them to exercise their franchise in the proper manner.

I urge that the House be a little more considerate about rushing the vote on some of these matters.

Mr. Boudria: Mr. Speaker, I am sure the hon. member, who is a very experienced member now, knows the rules of the House.

The timing of the bells for any vote is governed by mutual agreement of the two whips who take the vote at the time, namely the chief government whip and the chief opposition whip. That is clearly in our standing orders. I am sure all hon. members, particularly someone who holds the position of House leader, know that.

The Deputy Speaker: Points were made on both sides. All members know what the rules provide, as was indicated by the government whip. If we are to have an atmosphere of better cordiality in this Parliament than in the last Parliament, I would hope that in the future the whips of the government and the official opposition would indicate to the House leader of the Reform Party that there will not be a bell held after the vote. I would hope that all members would respect one another on that issue.

Mr. Boudria: Mr. Speaker, with respect, the courtesy call was extended to the members yesterday. What the Speaker has indicated as advice was followed, even though there was no requirement in the rules of the House. That courtesy was extended because we are a very courteous government.

Mr. Hermanson: Mr. Speaker, there were some discussions yesterday. There was some indication that there may or may not be a 30–minute bell, a 15–minute bell, or an immediate walk-down. Some of us were left to believe that there might be a period of waiting, perhaps 15 minutes, before we would come in and vote. That was not clearly communicated to my caucus. That

is why I am concerned about a precedent being set. It does not provide an atmosphere where we can work co–operatively together.

The Deputy Speaker: The hon. member for Wild Rose has two minutes left in his intervention.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I will spend the last two minutes repeating some of the things I said yesterday.

The main reason I will be voting against this bill is because I want to represent the people in my riding. It is difficult for people across the way to understand that, but the people in my riding say there should be no more gold plated pensions. They would like to see a pension but they would like it to be the same as what they have to accept in the private sector. That is completely fair.

• (1530)

Although I cannot represent other people I have spoken in about 37 ridings, most of which are Liberal ridings. I would like to express on behalf of the people in those ridings that they too would like to see their members opt out of these types of pension plans. However they know that it will not happen. There happens to be a little problem. Possibly it is greed.

I want to make sure the government will hear the people when they ask for a plan to be provided that is compatible with the private sector. The government should consider establishing a separate group, a third party of the citizenry. Let the employers decide what they should pay in the way of pensions, salaries, and a few other things.

The Reform Party is prepared to do that. If Bloc members and the Liberals would like to come aboard, we could select people from the private sector and meet together to determine what we should receive in the way of pay, pensions and so on. We would certainly go along with the idea and I would accept whatever they decide.

As a reminder to the Liberals, especially to my friend from Kingston who seems to have forgotten, he works for the people of Kingston. They do not work for him. Let them set the salary and the pension. That is the fair way of doing it.

As leaders let us set the example. Everyone in the country is required to tighten their belts, to do more with less. For heaven's sake, the least we can do is set the example by refusing the pension. We could set examples in a lot of other ways as well. We could cut totally unnecessary trips to Asia, Africa, Europe and all over the world. It would result in a saving of $1.8 million, which would help meet the needs of many people in the country who are suffering for one reason or another.

There are many things to consider. Take a look at my frame. It crawls into an economy seat every time I get on a plane. If you think that is fun, trade sizes for a day and I will let you try it. It is a sacrifice to do it and I do not mind. I will continue to do it.

All of us need to sit back and realize that we are asking Canadians to help us solve the problem created by the politicians of the past in terms of the country's debt and deficits. Let us get our act together, think of our future, think of the children we are raising and think of our grandchildren. Let us act like statesmen and forget the politics and the silliness.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I am pleased today to be able to speak to Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision. Bill C–85, which will amend the Members of Parliament Retiring Allowances Act, has been touted by the Prime Minister as a great pension reform package that members of Parliament deserve because they are so underpaid.

If anything raises the ire of Canadians, it is the scandalously generous pension provisions given to members of Parliament. Even more disturbing is the attempt to conceal from the public just how rich the pension plan remains even after the proposed changes.

The government reports in the public accounts, part II, how much MPs spend on office expenditures, travel and their salaries. It is very interesting to note they refuse to tell the public how much the members of Parliament pension scheme costs.

A former Liberal member introduced a private member's bill which would allow the auditor general to report more frequently so that waste and mistakes would be more readily exposed. This process would open the operations of government to closer scrutiny by Parliament on behalf of the people. What happened? The government said: "No way. We do not want closer scrutiny. We do not want the public to know what is really happening with their money". Then it gave the hon. member a pat on the back and sent him to the other place.

Regrettably, the cost of the members of Parliament pension is not readily available to anyone.

• (1535)

Even though this new law will reduce the accrual rate for benefits by 1 per cent, that is from 5 per cent to 4 per cent, it still remains double the rate found in registered plans in the private sector. There will be provisions for full inflation compensation whereas 78.3 per cent of private sector pensions have no automatic adjustment for inflation.

Furthermore, the members of Parliament pension account earns a generous 10 per cent interest so the costs attributed to the plan are effectively lowered. Yet MPs who choose to accept the one–time offer to opt out of the plan will be paid only 4 per cent on their contributions.

It is there but little is said about the higher rate of pensions for MPs leaving office with more than six years service. Even if this

group were to opt out of the plan, they will be paid their pension for the period prior to October 1993 under the conditions of the old pension plan.

Further bringing the new plan into question, MPs elected in the next Parliament will be required to participate in the pension plan. There will be no future open ended choice to say no to the gravy train. Why is the option to choose not to participate in the plan closed off at this time?

Fifty–two Reform members of Parliament have forced this issue of pension reform, but the government's presented reforms are really an insult to Canadians. Until the government changes the retirement compensation account, the account the government and previous governments have used to pay benefits greater than those allowed under a registered pension plan provided for by the Income Tax Act, Reformers and some other principal members of Parliament refuse to be part of the charade and deception. We are not willing to ask Canadians to pay for this pension windfall.

Right now, after only 10 years, members of Parliament can receive a pension worth half their salary. Anyone else would have to work and contribute to their pension plan for at least 25 years to achieve this and for most, without inflation protection.

Also under the new plan taxpayers still pay $3.60 for every $1 the member of Parliament pays into his or her retirement pension. As a comparison, federal public servants are matched dollar for dollar, a ratio often seen in the private sector as well.

The report by Sobeco, Ernst and Young suggested that pension benefits be limited to retirees who are at least 60 years of age, but the Prime Minister said members of Parliament have earned this pension even after only six years. Granted, for members who came into this House after October 1993, the new law would set eligibility at a minimum age of 55 for benefits accrued after this bill becomes law. Five more years to age 60 was too long to wait. The outside packaging looks okay, but if we open it up the box is empty.

Reformers do not need to hire consultants to tell them that the members of Parliament pension should be reined in, just listen to the ordinary working people of all ages and income ranges. They have told government what they think, yet the government seems unwilling to listen to Canadian citizens. It studied the issue and studied the issue, all the while taunting us with a carrot, promising real change.

We know the amendments are a done deal. The Liberals have the numbers in government to do what they want, but the one thing they can be sure of is that this issue will not go away. It will still be an election issue next time around so they will still have to answer to the voters.

A number of hon. government members have pointed their fingers this way and made allegations that some Reform members are double dipping. We on this side of the House have made it clear that we object to double dipping. We recognize that Bill C–85 attempts to remove double dipping practices and we commend the government for its move in this aspect.

Former members of Parliament who were given political appointments to work at another federal job should not draw pay for that job while continuing to draw their MP pensions. Private sector workers must earn their pensions by working 25 or more years before they are able to collect benefits. Again I point out some members of Parliament need only have served six years to collect these generous packages.

Individuals in the private sector who have earned and are collecting pensions can and do take other employment while continuing to collect their pensions. After all, they have had to win the job they occupy; it is not given to them as a patronage payoff. In this aspect, I had to win this job by convincing the voters of my constituency that I was their best choice to represent them here in Parliament.

• (1540)

Liberals are quick to point out that some Reform members, myself included, collect military pensions while at the same time earning salaries as members of Parliament. I collect an annuity for more than 36 years service in the Royal Canadian Air Force and the Canadian Armed Forces. I paid into that superannuation account with matching government contributions for 35 of those 36 years. Benefits accrued at 2 per cent per year, which is the normal rate for pension plans in the private sector.

The annuity I draw comes from a superannuation fund paid into by former and present members of the RCAF and Canadian Armed Forces over many years. That fund currently stands at just under $30 billion so the notion that my annuity is a gift out of the taxpayer's pocket is simply untrue. My annuity has been fully paid for and hon. members should be aware of that. Some of my colleagues also earn pensions and for many years made contributions to their pension plans.

What some government members are trying to do is compare apples and oranges. These pensions are a far cry from the generous pensions doled out to former members of Parliament who receive appointments to serve on various government boards or commissions.

Canada is among the world's most generous countries when it comes to members of Parliament pensions. There is no other country in the world which pays parliamentarians a pension after serving only six years in office, with no minimum age to retire.

In December 1993 the leader of the Reform Party wrote to the Prime Minister saying:

Reform MPs sincerely believe that the credibility of Parliament in dealing with the financial crisis facing the federal government will be increased if every parliamentary caucus reviews the MPs' pension, pay and perks package and agrees to significant reductions.

By doing so, the 35th Parliament can increase its moral authority to appeal to other Canadians to make the sacrifices necessary to permit a balancing of the federal budget.

In Bill C–85 government has fallen sorely short of achieving appropriate and necessary member of Parliament pension reforms. Surely it should reconsider.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I remind Canadians watching the debate today that we are discussing the acceptability of the proposed pension for members of Parliament. As they are probably aware, the Liberal government introduced some changes to the former pension system. The changes have been set out in great detail in a number of speeches today and I am not proposing to repeat them.

The issue is very simple. Is the proposed plan fair and reasonable? Is what is being proposed as a pension for members of Parliament fair and reasonable? The answer is very clear. No, it is not fair and reasonable. There are a number of reasons for this.

My colleague from Saanich—Gulf Islands and a number of other colleagues have set out the reasons yet again. It is very clear that what is proposed is not fair and reasonable. There are three areas in which the plan is not fair and reasonable.

It is incredibly rich. It allows a level of pension that is illegal for any other Canadian. If any other institution or organization proposed to give its employees this kind of a pension it would be prosecuted. It is flatly illegal. Somehow the richness for members of Parliament is okay. The lawmakers can have different rules. It simply flies in the face of what is right and what is just.

It is an inequitable system. No other Canadians in the country could ever expect to have this kind of a pension plan, yet to a very large degree those self same Canadians will have to pay for the pension plan that is being proposed.

A constituent phoned my office yesterday and said that he had worked for a major oil company for 30 years. He said his pension was not any better alongside an MP who has worked only six years. He wondered how that could be, and he had to pay for it.

It is clearly inequitable for lawmakers to have a pension and benefits that are unavailable to any other Canadian. These benefits are fully indexed. There are virtually no other pension plans available anywhere in the country that are tied to the level of inflation. Yet lawmakers feel they are entitled to that. This is not a fair and reasonable plan.

• (1545)

The sad thing about this is that the people who have to pay the shot for this plan have no say in how the plan is structured. In any other plan, most or at least half of the benefits are paid for by the person receiving them. In this particular plan the people receiving the benefits pay one–fifth or one–sixth of the benefits they will eventually receive. The people who have to pay the lion's share in this plan have no voice in the negotiations whatsoever, except what we might choose to give them.

My friends in the Bloc would say it is very bad labour relations when one party simply sets down the benefits they expect to take and the other side has to pay them. That is clearly inequitable and unreasonable.

In spite of the fact that this plan is not fair and reasonable, the Liberals go through a song and dance saying that yes it is. We should examine those arguments because as Canadians we need to judge whether or not this is a good and fair piece of legislation. Reformers are saying loudly that it is not. I have given some of the reasons and my colleagues have given more.

Let us see what the Liberals are saying. The first thing they say is: "At least we did something". For those who might be watching these debates and who are students of political science, they might see this as a very interesting and excellent example of spin doctoring, of how a clearly untenable and indefensible proposal by a government is put forward as being equitable and defensible.

First the Liberals say: "At least we did something. We made some cutbacks. We made some changes. We brought in reform". I might add this was thanks to Reform members who have kept raising this issue over and over in the House. I dare say the Liberals would have been quite happy to forget it if we had not pushed them to the mat and said: "You must do something about this MP pension plan. Canadians simply will not stand for it to be left as it is".

The second thing they say is: "We never promised to do anything more than this. We have done everything we said we would do". I suggest the real issue is whether it was the right thing to do. Is that not what we are here for, to do the right thing? Or are we here to do the least thing possible so we can say we did something? I think Canadians should judge.

Then there was a very interesting argument brought up by the President of the Treasury Board. He said that they were doing this because they care about their families and the people who are saying this is not a good plan should really think about whether they really care about their families. All Canadians care very much about their families, particularly the Canadians who are going to have to pay the shot for this pension plan that will benefit the families of a very few. It is the families of Canadians

and Canadians themselves and fairness for all that we should thinking about, not just ourselves and our families.

I find it rather remarkable that somehow a plan that is unfair, greedy and beyond what any other Canadian family could ever hope for is excused and justified on the basis that we care about our families. I do not think so.

Then the argument is brought up that almost half of the MPs do not qualify for a pension anyway. So? We are talking about the people who do qualify for a pension. Is the pension for those who do qualify fair and reasonable? The answer is no.

Then the President of the Treasury Board brought up studies that propose MPs should earn more. The President of the Treasury Board said that we do not dare do that; we do not dare follow the recommendations of those studies. What he actually said was interesting if one follows political speak.

• (1550)

He said that it is not functionally possible at this time. Then he suggests it is okay to stay unreasonable on the pension side because we cannot do anything about the other recommendations. I do not think that two wrongs make a right in the minds of Canadians. Reform is against increasing either the salary or letting the pension stay unreasonable, particularly in light of the fact that the country is not living within its means.

The next argument is interesting, which is the great sacrifice MPs make to serve the public good. Being an MP I can say there is some sacrifice involved, although I do not notice any shortage of people willing and able to make that sacrifice. There are literally millions of Canadians who make sacrifices to serve the public good.

This week in the House we rose in a standing ovation to acknowledge and show appreciation for the Canadians who made the ultimate sacrifice. They went overseas and had the roar of guns in their ears. They suffered the separation from their loved ones, fear for their lives, danger and injury for an unlimited period of time. They made a sacrifice.

What about the people in the private sector who go all over the world to pursue trade opportunities on behalf of their companies, suffering from jet lag and all of the deprivations of travel? What about the millions of Canadians who sacrifice in both their personal and professional lives to give care and guidance to their children?

Sacrifice is a part of life. For MPs in the House to say we are making a sacrifice and therefore we should be given special consideration is ludicrous. It will not wash with Canadians.

It might be interesting for members of the House to know about a survey I have been doing in my riding. I asked whether they supported MPs receiving the benefits outlined in the information I gave them. Eighty–seven per cent answered no. Question: Do you agree with your MP's decision to opt out of the MP pension plan and provide for her own retirement through a personal RRSP governed by the same guidelines as all other Canadians? Answer yes: 88.7 per cent. Question: Do you think MP pension benefits should be reduced retroactively to reflect Canada's current fiscal situation? Answer yes: 87 per cent.

It is very clear that Canadians are fed up with politicians who say one thing and do another, who decry any suggestion of a two tier health care system. They bleed from every pore at the mere suggestion, but a two tier pension system that benefits them is just fine.

It is time we showed some leadership in the House and put our money where our mouth is. Reformers are prepared to do that. I challenge government members to show that we want to do what is right and fair for the country and we want to be on an equal playing field with the citizens of this country. We are prepared to do that in the matter of the pension plan.

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, I congratulate my colleague who just spoke. That was well said. I hope hon. members on the other side were listening.

Mr. Hermanson: Mr. Speaker, I rise on a point of order. This is a serious matter. We do not have a quorum and that concerns me.

The Deputy Speaker: There does not appear to be a quorum. Call in the members.

• (1555)

And the bells having rung:

The Deputy Speaker: There is now a quorum. Resuming debate.

Mr. Stinson: Mr. Speaker, when Europeans first came to Canada everyone had such a short life expectancy and society as a whole was so poor that people basically worked hard from childhood until they died. Some third world nations are still like that, but the industrialized world has made enough advances in public health and medicine that diseases which used to claim huge numbers of people have been either controlled or eliminated in developed countries.

We generally expect to live long and healthy lives. For example, as of 1992 the Canadian life expectancy for women was 81.2 years while some say that we overworked men nevertheless manage to survive for an expected span of 74.9 years.

In addition to improved health, there are other major achievements of developed countries. We generate sufficient wealth so that both our children and our seniors no longer need to be involved in the direct production of wealth. We provide free public education for our young people at least to the age of 16.

We pride ourselves on the fact that child labour is a thing of the past in our modern industrialized world.

At the other end of life, industrialized nations also provide a special time when the wealth of society allows the elderly to be free from the need to produce more wealth. For Canadians age 65 and older, advances in medicine and improved nutrition have also made it possible for them to enjoy improved health and independence.

I had the opportunity last week to drop in at the beautiful lakeside community of Sorrento in my riding of Okanagan—Shuswap. The 220 members of their old age pensioners branch had raised enough money with no government grants of any kind to build a 30 by 60 foot addition to their original meeting place so that they could have room to enjoy such things as carpet bowling, snooker and darts. They also did the majority of the physical work themselves, erecting the walls and rafters.

Some of these seniors I am speaking of are in their 80s. I was impressed not only with their energy but the enthusiasm they showed and the sincere concern they had for Canada. The seniors told me they are also concerned about whether Canada can continue to provide pensions on which they all depend because of excessive government spending, such as the gold plated MP pension plans.

Of course some of these seniors have been thrifty and fortunate enough to own their own homes which keeps their monthly expenses down. Some seniors receive cheques from company pension plans or interest payments from their life savings, but many live on nationally funded pensions.

Low income seniors, especially elderly widows, tell me they have great worries about adequate housing, health care, home care after hospitalization, and public transportation. Nevertheless overall this is a generation of people who lived through the great depression. They know how to make do as they say, meaning that they can get by on very little without complaining.

For example, the monthly maximum payment this quarter for single seniors receiving old age security and the government's income supplement is $850 a month. For married seniors both of whom are over age 65, the monthly maximum payment this quarter from the federal pension and income supplement combined is $689 a month each. In other words, senior couples are living on less than $1,400 per month or $16,542 per year from which they must also pay taxes.

Nationally, StatsCan set the low income cut off at a point where more than 54.7 per cent of income is required to pay for food, shelter and clothing. In rural areas, for 1993 the low income cut off for families of two was $14,238. For small towns, the level was $16,329. Therefore it is only in rural parts of Canada that seniors living on OAS and GIS escape poverty. The majority of Canadians live in cities. The low income cut off for a family of two shoots up to $20,603 in cities like Vancouver, Toronto and Montreal. Remember, married seniors get $4,000 less than that.

• (1600)

I want to contrast the pensions of those average Canadian seniors with members of Parliament, who have been in the remarkable position of being able to pass the very law that determines how much pension they will receive. How would reasonable MPs decide on their pensions? Would they look at what is done in other countries? For example, in the United Kingdom parliamentarians contribute 6 per cent of their salaries and are eligible for pension after 55 when age plus years of service equal 80. The United States congressmen contribute 1.3 per cent and can qualify at age 50 with 20 years service. Obviously Canadian MPs ignored those standards, both for the present pensions and their so–called reforms.

Bill C–85 at long last proposes to reform MPs' pensions so that they cannot qualify until age 55. It also ends double dipping. For both these improvements I congratulate the government. However, these were merely two small baby steps toward badly needed major strides that should have been performed in reforming MPs' pensions in this country.

Our goal should be nothing other than a pension plan similar to those allowed to everyday Canadian seniors. For them the Income Tax Act continues to set a 6 per cent limit on pension contributions. However, under Bill C–85 MPs' pension contributions will only drop from the present 11 per cent to 9 per cent. It is still 50 per cent higher than allowed for the private sector and it is still costing taxpayers millions of dollars.

Another point I wish to raise concerns the opting out possibility. The entire pension plan should be significantly reformed so that no MP in good conscience would see any need to opt out. Without those complete down to earth reforms to the MPs' pension plan, every newly elected member of Parliament must have the option to turn down the pension plan, which through Bill C–85 has merely gone from being solid gold to being gold–plated. In my opinion, even after passage of Bill C–85 MPs' pensions will remain a national disgrace.

When the Liberals were elected the Canadian people accepted them as they would at a wedding. They looked at them as either the bride or the groom. They gave them the ring to run this country. Unfortunately, since then, through acts such as this piddling around with the MPs' pension plan, I am afraid the Liberal government has given the Canadian public the finger.

We do not have to delve too deeply to see what it is costing the Canadian public today to keep what these MPs seem to say is

their right. Does any member of Parliament think that the only reason he came to this place was in order to get a pension and his only way of being paid back is through that pension? I would like to know what their commitment to Canada is. I find it hard to accept that there is anyone in this House who would use that.

I hear nothing from the other side with regard to this debate. I have yet to hear anyone on the other side stand up to address this. I find this strange. Are they afraid the Canadian public would not listen to what they say, or if it did listen it would want to turf them out? I think it is probably the latter. Hopefully I am wrong. I would sincerely like to see a member from the other side rise and speak to this issue. The Canadian public would also like to hear them speak to this issue. We have had only smoke and mirrors from the other side with respect to this. Perhaps it is time they clear the smoke away and tell us exactly what they have done to reform the MPs' pension plan and what the cost will now be to the Canadian taxpayers, who perceive the MPs as living off them like parasites.

It is sad to say that in this country we have fallen that badly. The obligation should be for someone from the government side to stand up and support their own pension scheme. If they would go out and talk to seniors and see how much they have contributed to the country, with no guarantees, they would be really surprised. Maybe we should be a little ashamed of what we have allowed to happen in this country.

• (1605)

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I take this opportunity to put some perspective on the controversy. I will end with a demand for greater openness in the process of setting the compensation for members of Parliament.

In economics, one of the most difficult problems we have is to explain the relative wages of people in different occupations. Why does a dishwasher earn typically only the minimum wage? Why do miners earn considerably more than that? What should be the right pay for teachers, nurses, doctors, lawyers, and MPs? Who knows?

In economics we have some answers. One side explains that generally compensation for workers is higher where greater skill and training are required. People who go to occupations that require only high school graduation will typically get a lower level of pay than those who had to graduate from university. Certainly those in graduate and medical school occupations make more than those with lower educations. I think this is a widely accepted principle. There is no problem with fairness. That is generally accepted in society.

Also accepted in society, and the data show that this can be verified, is that the riskier a job, risks like illness and accident, the higher should be the pay. The greater the discomfort, if you have to work in the middle of the night or in a dirty environment, then pay tends to be higher than when it is in a pleasant environment.

Generally these elements are verified by empirical studies. Yet even at a time when there was no government to appeal to there were differences in wages, which could not be explained by these factors alone. Economists know a structure of wages of different—

The Deputy Speaker: Point of order, the hon. member for Elk Island.

Mr. Epp: Mr. Speaker, the member for Capilano—Howe Sound has very important things to say and I think there should be more than two Liberals present to hear it. I call quorum.

The Deputy Speaker: I will ask the clerk to count the members present.

And the count having been taken:

The Deputy Speaker: We have a quorum.

The interval does not come off the member's time.

Mr. Grubel: Mr. Speaker, I was trying to put some perspective on the debate about pensions by suggesting that what has happened in Canada and many other democracies is we do not have a transparent system.

In free markets, when there is no government to step in constantly and listen to people about their unhappiness about their wages, there is a very important equilibrium achieved in markets. Individuals under their own free will can walk up to someone and say they would like to work as a cook, as a miner, or whatever it is, and he or she gets employed. They are obviously better off than with anything else they would have done. They are happy. They have had a decision. They have maximized their welfare.

• (1610)

One can imagine that in a world like that, without any government, we can develop a situation where there are just the number of cooks who want to work at the wage that is being offered them to be cooks. There are just the number of nurses. There will be neither people who are looking for jobs nor will there be shortages. The wages that come out of such a competitive system may be interpreted as being efficient and in some sense representing the best distribution of wages our society can arrive at.

We all know that especially in the post–war years governments have taken it upon themselves to correct the outcome of the market. We have opened our ears as members of Parliament

to people who do not like the structure that has come from a free market where people under complete freedom, talking to each other and making contracts without coercion, have produced this outcome.

We hear stories that are so appealing they always bring tears to my eyes. I hear farmers telling me: "My income was only so much. My wage was only so much. Do you know how important my job is? If it was not for us farmers there would not be any food and we would all die. Therefore, I think I should earn more". I do not have to elaborate on what the nurses and doctors say and what the teachers say would happen to the next generation if they were not there.

All of this sounds very good. The people who say this all the time have themselves completely convinced that the wages a free society and free exchange have produced are not right. They need more and more. This has created the kind of division in society we have today, inefficiencies and problems. The wages are set so high that there are long waiting lists of people who wish to join that occupation and others where the wages are too low and they cannot find workers for it. It is a sad thing. I believe that decentralized decision making was much better. However, we are now in an ideology that says the government has a right to step in.

I want to now turn to a special problem that is associated with setting the wages of people like members of Parliament, where a government has to be involved. Here the problem is that until now there has never been a shortage of people who want to apply for the job. I do not know what the right wage is. I challenge anyone. The big problem is that the wage that is set will determine on average what quality of skills, intelligence, and energy you get of people who apply for the job and ultimately will end up in the Chamber.

I think almost everybody would agree if today the wages for MPs were $20,000. What we would get on the one hand would be people who could not make more than $20,000 in the private market. On the other hand, we would get very rich people to whom this would be a hobby. It would be a totally undesirable mix of people here in Parliament. However, who is to say what is the right wage? We cannot ask members of Parliament any more than we can ask farmers, nurses, doctors or teachers. They will all say they have the most important job in society and it should be very, very high. Of course it cannot be done like that.

What is the next best solution? Historically, we always have to come up with some wage. What is the right wage? The Government of Canada and all democratic governments have taken recourse to appointing commissions. The other day another commission report was released on that subject. I looked back. There must have been commissions in the history of the Parliament of Canada at least every four or five years since the founding of Parliament. They have all said that the wages should be higher than they are.

• (1615)

To the best of my memory they said the wage should be set around $100,000 or $120,000 a year. I am not endorsing this. I do not know what the right answer is.

One of the big problems comes once these wages are announced by these wise people. They are typically appointed with the consent of a broad spectrum of people. Canadians believe these wages are high relative to the norm.

I have recently been having a lot of fun asking people I meet at dinner parties or at political conventions what the average income is of a Canadian working in manufacturing. Very few know it is $32,000. I ask what income does one have to earn to belong to the top 10 per cent of income earners in Canada. It is $52,000. The kind of people one meets when one is a member of Parliament typically say it is somewhere around $80,000 or $100,000. Some young students who come to lobby me tell me it is $1 million. It is $52,000 or $53,000.

It is quite clear the kind of problem we are facing as a Parliament in our system. People who have the best in mind for Canada say that if we want quality people in Parliament, we should set a wage that right now would probably be putting them in the top 1 or 2 per cent of the income distribution. Yet the majority of Canadians have lower wages.

It was not malice on the part of past Parliaments that took a way out of this which is now beginning to haunt us. They have set wages which are within the realm of acceptability in public opinion. Then they have begun to hide compensation in order to achieve a level of compensation that is consistent with what these wise people have said it should be. That is why my whip said the other day that if we look at the hidden compensation we would reach a level that is a little below what these commissions have recommended recently.

As is typical with all these procedures without checks, once members of Parliament in recent years found out they could get away with hiding compensation, they went overboard. They went overboard in the form of pensions. It was clearly a mistake on their part to have gone as far as they have by overshooting the amount of compensation hidden in the pension.

What I conclude from this analysis of our current problems is that the issue faced by Parliament today is not the narrow focus on the pension; it is what my colleague the whip has said. We need a more rational structure, a transparent structure of the compensation for members of Parliament.

We should also be open with the people of Canada. In today's age of high levels of education, of communication, of understanding, I am personally convinced and have enough confidence in the democratic system that people would accept the judgment of those wise people and say: "Yes, we want that quality of people to run for Parliament. We do not want it to be

reserved for only the rich or people who don't have anything else to do. We want to attract good people". They would probably go for a compensation that is very close to what we have now, but a much lower pension. That would be consistent with what the last commission said.

In my judgment we need a more transparent, open system that would put all of the cards on the table. We would end up with this being accepted by the people of Canada.

• (1620)

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, the pension plan was introduced in 1952 by an act called the Members of Parliament Retiring Allowances Act. It was amended in 1992 to coincide with the Income Tax Act.

During the course of this debate the conditions of the pension have been illustrated several times, so I do not wish to go into that, other than to look back to pre–election 1993 when there was considerable concern among Canadians as to how the pension plan had developed since 1952. There was enough concern, obviously, that in 1991 an amendment was passed to bring it in line with the Income Tax Act. Here we are in 1995 again looking at a possible adjustment to the pension plan.

Some of the things which were of great concern to the Reform Party prior to the election were members of Parliament having to serve only six years to be eligible to draw the pension, regardless of their age. Another condition which was of great concern to us was the indexing. I think at age 60 it was indexed according to the cost of living. A third concern was the fact that the pension was based on the best six years of salary. It did not say whether they were consecutive years to my knowledge.

The people of Canada had concerns about the provisions in the plan. They were not happy with it because it did not coincide with the private sector. It tended to suggest very strongly that there was a two tier system for pensions in the country, one for MPs and one for everyone else.

I assume some pressure was brought to bear through 1992 and some adjustments were made, such as passing the amendment which would put the plan in line with the Income Tax Act.

Now we are considering Bill C–85. I actually do not understand what the bill will do to address the general concerns which were expressed about the pension plan prior to the 1993 election.

When I read through it I notice that the eligibility age has been increased to 55. That rules out the concern of getting a pension after six years of service. The person would still have to wait until they were 55 years old.

The plan was brought in originally in 1952. In those years I can remember that my parents, for example, were looking toward their retirement. The eligibility age was 65. The trend at that time from a health and a technological point of view was that men, because they formed the major part of the workforce in those days, would retire at 65 and be dead of a heart attack or some such thing before they reached 65 and a half.

I suggest strongly that over the years we have made advances in health, not only in the curing of various conditions but also in prevention. We lead a much more healthy lifestyle, so 55 is not really rational for 1993. If we were debating this in 1952 when the plan was originally implemented it might have some validity.

That is one thing which Bill C–85 does in addressing the inequities of the existing plan. As far as I can see it really does not do much of anything else. It talks about opting out or opting in, however the phrase is worded. That is a one–shot deal. It applies to members of Parliament now. It includes those who have six years' service. Once that happens every MP who comes along after this will have to participate in the plan. The amendment does not really address much other than an increase on when one can draw the pension. To my mind that is not enough.

• (1625)

The whole pension issue and this bill, when one looks at it in its entirety, is an excellent illustration at how out of touch government politicians are with the Canadian public. There was a hue and cry about pensions prior to the election. The majority of Canadians realize that even with these changes in the pension plan, it will far exceed those available anywhere else in Canada.

The other component in this plan that has to be looked at very seriously is the retirement compensation account and the mechanisms used in paying out the benefits.

Regarding the opting out situation, there will be no choice. It is a one-shot deal. It is going to put a number of Reformers, who will come into this Parliament in the next election in great numbers, in the position of having to participate in the plan. It will be against their principles.

One of the things that illustrates the point I am talking about now is an article that was in the Vancouver *Sun* on February 9, 1995 by Barbara Yaffe. That article was entitled "Pension tiff is a measure of MP–voter rift".

In her article she pointed out that one of the problems with the pension issue is that MPs are the ones that determine the

pensions. Many of my colleagues have made reference to the same point. One wonders how many other jobs there are where people can determine their own pension benefits.

We have two options basically. We either have a pension plan or we do not. If we choose to have a pension plan, the Reform position is to bring it in line with that of the private sector, including such things as retirement age, indexing, et cetera. It should allow MPs the choice of whether or not to participate and seriously consider the benefits of allowing for some independent body of Canadian taxpayers to decide on the plan's perks, mechanisms, et cetera.

The pension plan as it stands is not acceptable to the majority of Canadians. The changes proposed by Bill C–85 are tokenism or lip service. I am quite confident that the Canadian public will come to this conclusion as well.

All of us must constantly keep in mind that the Canadian people are the ones who pay the bills. We work for them. It is probably why we are called public servants. That seems to be something that some of us tend to forget quite easily once we come to Ottawa.

Once again I refer to the article by Barbara Yaffe. She writes that this unsavoury struggle over politician pensions has revealed one thing quite clearly. "How utterly out of touch some MPs are with the real people in their ridings".

One must wonder why only Reformers seem to be speaking on this bill. Does this issue not concern the constituents of any other members of the government?

The people of North Surrey have been very clear on this issue. I cannot accept this pension plan as it presently stands, nor can I accept the proposed changes in the bill. My constituents have also said to me very strongly that we must get these opinions out here on the floor of the House because the government is not listening to them.

• (1630)

Therefore I want to tell all members of the House and my constituents in Surrey North that I will not be participating in the pension plan. I am joining my colleagues in opting out until something comes along that is much more equitable with the rest of the country and my fellow Canadians.

Mr. Silye: Mr. Speaker, I rise on a point of order. I seek unanimous consent to address the bill again. I have spoken to it once, but in light of the fact that I have sparked some interesting reaction I was wondering if members of the House would be willing to allow me to speak to the motion.

The Deputy Speaker: Is there unanimous consent for the member speak again?

Some hon. members: No.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, it is a pleasure to participate in the debate on the issue of MPs pensions. It is certainly one issue that raises the blood pressure of the majority of Canadians and one time slot on the parliamentary channel that receives attention.

I dare say there is not a single MP who has not been dogged by constituents on the issue. The obscenity of the bloated pension scheme for MPs raised the hackles of the majority of Canadians. If I were not to opt out of the plan my face would be as red as the Liberal red ink book. It is the ultimate in Liberal spin doctoring to call it pension reform. I do not know how MPs could face their constituents.

I remember during the campaign being told by the incumbent when I complained about the MP pension scheme that once I got here I would certainly change my mind. I have not changed my mind.

I challenge any government member to look in the face of a struggling overtaxed and overextended constituent and defend the ultra–luxurious pension plan. I further challenge government members to defend Bill C–85 and the so–called amendments contained in the legislation.

The member for Glengarry—Prescott—Russell can obfuscate, twist and distort the Reform position on MP remuneration. I challenge him to tell a dairy farmer in Cumberland why he deserves the gold plated pension. I bet he hopes no one is watching the theatre of the absurd practised by the member on the issue of pensions.

We are witnessing a serious double standard characterized by greed and complete disrespect for the taxpayer's dollar. On the one hand the government preaches deficit reduction and debt control. On the other hand it introduces Bill C–85 under the guise of reforming the obscene pension plan. In other words, do what I say and not what I do. This is not the kind of leadership Canada needs at this time. It shows a lack of leadership.

The Reform Party supports a pension plan that brings MPs pensions into line with private sector pensions. In my view if the Liberal government vacillates on the issue it will vacillate on every issue. There is a major principle involved and the government has fumbled the ball. Where is its conscience? What does Bill C–85 give us and the taxpayers?

The bill lowers the rate at which benefits accrue. At 4 per cent they are still double the rate allowed for registered plans under the Income Tax Act. The so–called reforms include provisions for virtually full compensation for inflation which certainly does not parallel private sector pension plans. Over 78 per cent of private sector plans have no automatic adjustment for inflation.

The bill's minimum age provision of 55 does not go far enough. Under the Income Tax Act pension benefits must be reduced by at least 3 per cent per year if collected prior to attaining the age of 60 or alternately has 30 years of eligibility or attaining age and years of service totalling 80 years. This avoids that provision of the Income Tax Act.

• (1635)

The legislation before us today will still use the special arrangement called an RCA account to pay members' benefits that are twice as generous as private sector norms. Until this is addressed, the whole bill is just window dressing. I want to see the member for Glengarry—Prescott—Russell sell this to a hard working farmer in his riding who has to save and administer a plan of his own. I have hard working loggers, miners, mill workers, fishermen and business people in my riding. I would not envy trying to sell it to them.

We estimate that long run costs for the new pension plan will be close to 50 per cent of the payroll costs for currently sitting members. A plan the Reform Party could have supported would have had a maximum cost to taxpayers of 9 per cent of payroll.

Again the government is bleeding the taxpayer dry and at the same time selling snake oil to cure the illness. It is deceitful and unfair, especially given that it will not allow opting out for members elected in the next election. The pension scheme will be an issue in three years. We guarantee it.

Many Reform MPs ran their election campaigns promising to come to this *Alice in Wonderland* place and reform MPs' pensions. It was a solemn commitment to weary Canadians bled dry by greedy governments. The government's response has been to raise MPs' take home salary by reducing the MPs' contribution rate to the pension plan.

Mr. Stinson: Mr. Speaker, I rise on a point of order. I am sure what the hon. member has to say is extremely important, but I do not see a quorum in the House.

The Deputy Speaker: The member is quite correct. There is not a quorum. Call in the members.

And the bells having rung:

And the count having been taken:

The Deputy Speaker: We have a quorum. Debate shall continue with the hon. member for North Island—Powell River.

Mr. Duncan: Mr. Speaker, this will serve to keep the ratio of government to member contribution very high.

The member for Glengarry—Prescott—Russell talked yesterday of openness, honesty and sincerity. There is not a scintilla of veracity in what the government is telling Canadians about the pension plan. When we add this insult to the $550 billion debt, we are truly a country in trouble.

The government is touting Bill C–85 as pension reform but it is not telling the complete story. Does the member for Hamilton East call a new pension of $2.7 million from the old $3.3 million windfall a reform? It is obscene and warrants the scrutiny of fair minded Canadians. It is truly unresponsive and says to every Canadian: "You sacrifice, not me".

• (1640)

I will be opting out and joining the majority of Canadians who are not taking advantage of the system and who are looking for leadership on issues like this one that we are not receiving from the government.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I appreciate the opportunity to speak to the bill which is about more than the pensions that some members of Parliament will collect, much more. The bill reflects a difference in beliefs about the role of a parliamentarian and about the relationship between government and those who are governed.

It might seem like a bit of an exaggeration to say that a bill dealing with pension reform reflects ideals about the very nature of governance in a democratic society. I do not think it is an exaggeration at all. Furthermore, with the benefit of time, the people of Canada will agree with me that the position taken by MPs on the bill reflects how they feel about their position in government. It tells a story about how they feel about their constituents. It even tells a story about how they feel about democracy.

Let me explain. Canadians become a little sensitive when their politicians use U.S. examples. Nonetheless it is impossible to deny that U.S. experience provides us with an example of how representative democracy works: its problems and its benefits.

In the greatest document ever written to defend American democracy, the federalist papers, the authors speak in paper No. 35 of the qualifications of representatives in government. They write that representatives should be members of various classes of people from society and economy; that those people should be chosen by a majority of their constituents; that those people should be inspired by a desire to protect the interests of their class in the economy, to represent their communities; that those people should be elected for a very limited period of time, after which they should return to their former positions in the economy, back to their former places in life. People elected to government should be inspired and motivated to go into public life by a sincere commitment to their communities. They should expect nothing more than to represent their families, friends and neighbours.

The model from the federalist papers does not speak of a class of professional politicians. No, the ideal politician is a real person from the real world who takes a short time out of his or her life to do his or her patriotic duty and represent his or her community with enough remuneration to survive but not enough to prosper. That would have to wait until his or her limited time in government was over and he or she returned to a former profession.

That is one model or one vision of what the government and legislators should do. There is another, that of the professional legislative class, one where legislators are not so much chosen as they are born or made and where there are different incentives to get into politics. I am not referring to the incentives of patriotism or a willingness to sacrifice for one's community but an ambition to achieve power, to establish oneself in powerful circles and to make money. Representation of the people for this kind of politician is nothing more than saying the right things to avoid being voted out of office and thereby losing the security, power and prestige that public life offers.

That is the sort of politician Canadians have learned to dislike so passionately. Canadians are more disillusioned than ever about their politicians. Politicians consistently rank at the bottom of public opinion poll surveys. People do not like us. When I ask my constituents what they do not like about politicians I consistently get the same answers: "Politicians are only in it for themselves. They only want to make money and get power. They lie all the time just to stay in office". That is quite a commentary.

• (1645)

Is it any wonder people are fed up with politicians? Members of the House have expanded their powers, expanded their salaries and expanded their pensions without ever consulting the people of Canada. Members have expanded their power and their purses. They have created what some of the founders of modern democracy hope to avoid: the creation of a professional class of politicians more concerned about their comfort than about the needs of the community and the country. In other words, the politicians have become Ottawa's messengers to the constituents.

Here we are debating this pension reform bill. Some reform. This debate and the divergent attitudes and opinions of the two sides of the House—and I am not including the Bloc in my comments since it is absurd for the Bloc to even be participating in this debate—reflect more than just a different administrative view of how pensions should operate. They reflect a fundamentally different view of how Canadian democracy should operate.

The Reform Party believes in the first model of representation: non–professional politicians who represent their communities out of a sense of duty and patriotism, politicians who expect nothing more than to return to their stations in life with a nod from their communities and the occasional "job well done". We want nothing more than to be given enough remuneration to survive while we are here and then go home to our communities with respect.

The Liberals on the other hand are concerned more about providing themselves with perks, power and pensions, pensions which have become the flashpoint of voter anger, and rightly so. Why should parliamentarians receive pensions which are richer than anything the private sector could even dream of? Why should citizens who are taxed to the max be forced to pay for this unbelievable scheme? The politicians in power across the way do not believe that politics should be about sacrifice for the country. They think the country should sacrifice for them. Liberal politicians do not ask what they can do for Canada, they ask what Canada can do for them. That bothers Canadians. That causes Canadians to lose faith in the political process.

The Reform Party's philosophy on pension reform is simple: do not give us one. Leave us alone. Go ahead and take the cushy pensions. Go ahead and force the taxpayer to cough up $4 for every one. Clearly, that is what members across the way are saying, but leave us alone.

If their vision of democracy and representation is one which includes establishing a permanent class of highly paid, highly pensioned, highly perked politicians, then so be it. Let us represent our constituents the way we want. Allow us to be servants of the people rather than demanding that the taxpayers serve us. Let our visions co–exist. Let them compete. Then let the voters decide come the next election. We are more than happy with that.

This pension reform bill does not do that. It forces the next crop of Reform MPs to take this ultra rich pension package whether they want it or not. How absurd. How cynical.

Canadians want responsible government. They want responsible governors, people they can trust, people who will serve willingly because they want to serve, not because they want to retire after a few years on tens of thousands of dollars indexed to inflation. Being a member of Parliament is an opportunity to leave an indelible mark on this great country. It is an opportunity to give something back to the communities which have given us all so much. It is a privilege.

The current pension plan and the new pension package is a slap in the face. It is a slap in the face to all constituents and all communities. I urge my fellow members on both sides of the House to take a step toward restoring representation with integrity to Canada. Take a step in the direction of restoring trust. Vote no on the bill and vote yes to integrity and trust. I am going to opt out of the plan.

• (1650)

Given the lack of interest on the Liberal side and the many inadequacies of Bill C–85, I move:

That this debate be now adjourned.

The Deputy Speaker: This is not a debatable motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

(The House divided on the motion which was negatived on the following division:)

(Division No. 213)

YEAS

Members

Abbott
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Duncan
Frazer
Grey (Beaver River)
Hanger
Harper (Simcoe Centre)
Hermanson
Hoeppner
Johnston
Meredith
Ramsay
Silye
Strahl
White (Fraser Valley West)

Ablonczy
Bridgman
Chatters
Epp
Gouk
Grubel
Harper (Calgary West)
Hayes
Hill (Macleod)
Jennings
Mayfield
Morrison
Ringma
Stinson
Thompson
Williams—32

NAYS

Members

Allmand
Arseneault
Asselin
Barnes
Bellemare
Bevilacqua
Blondin–Andrew
Bonin
Brien
Bryden
Bélisle
Catterall
Chamberlain
Collins
Crawford
de Jong
Dromisky
Dumas
Eggleton
Fewchuk
Finestone
Gagliano

Althouse
Assad
Bakopanos
Bellehumeur
Bergeron
Bhaduria
Bodnar
Boudria
Brown (Oakville—Milton)
Bélanger
Calder
Cauchon
Clancy
Cowling
Culbert
Discepola
Duhamel
Dupuy
English
Fillion
Flis
Gagnon (Bonaventure—Îles–de–la–Madeleine)

Gallaway
Gerrard
Godin
Graham
Guarnieri
Harb
Ianno
Jackson
Jordan
Knutson
Landry
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lefebvre
Leroux (Shefford)
MacLaren
Malhi
Martin (LaSalle—Émard)
McCormick
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Ménard
Nunez
Pagtakhan
Peric
Phinney
Pickard (Essex—Kent)
Proud
Regan
Ringuette–Maltais
Robillard
Rompkey
Serré
Skoke
Steckle
Stewart (Northumberland)
Taylor
Terrana
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Volpe
Whelan

Gauthier (Roberval)
Godfrey
Goodale
Grose
Guimond
Harper (Churchill)
Irwin
Jacob
Keyes
Lalonde
Lastewka
Lavigne (Verdun—Saint–Paul)
Lee
Leroux (Richmond—Wolfe)
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Massé
McKinnon
McTeague
Mifflin
Minna
Murray
Nault
O'Reilly
Paradis
Peters
Picard (Drummond)
Pillitteri
Reed
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Sheridan
St. Denis
Stewart (Brant)
Szabo
Telegdi
Torsney
Ur
Vanclief
Verran
Wappel
Zed—134

PAIRED MEMBERS

Bachand
Bernier (Mégantic—Compton—Stanstead)
Caccia
Chan
Chrétien (Saint–Maurice)
Collenette
Crête
DeVillers
Duceppe
Gaffney
Guay
Hubbard
Langlois
Lebel
Lincoln
MacDonald
O'Brien
Sauvageau
St–Laurent

Baker
Bouchard
Caron
Chrétien (Frontenac)
Cohen
Copps
Dalphond–Guiral
Dubé
Finlay
Gagnon (Québec)
Harvard
Kraft Sloan
Laurin
Leblanc (Longueuil)
MacAulay
Marchand
Plamondon
Speller
Tobin

The Deputy Speaker: I declare the motion lost.

[*Translation*]

The Deputy Speaker: It being 5:30 p.m., the House will now proceed to the consideration of Private Members' Business.

PRIVATE MEMBERS' BUSINESS

[*English*]

HATE PROPAGANDA VIA ELECTRONIC HIGHWAY

The House resumed from March 31 consideration of the motion.

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, it is a pleasure to speak today on the motion regarding hate speech on the Internet.

I agree wholeheartedly that the government should move with speed to adopt legislative measures aimed at stopping the spread of hate propaganda through computer networks.

The information highway is a wonderful resource, which provides education and information to people worldwide. The Internet is a powerful communication tool. It links people of various nations and backgrounds easily and rapidly, helping spread understanding and knowledge around the world.

Like many tools or new technologies, the information highway can be used for harmful purposes as easily as for positive purposes. Unfortunately, the many benefits provided by the new technology are as attractive to hatemongers and racists as they are to scientists and students.

As I am sure many members are aware, even a brief glance through various Internet discussion groups reveals material that is deeply offensive and contrary to Canadian values. The material ranges from recruiting messages from the Ku Klux Klan to pornography and Holocaust denial tracts.

In January a university student was arrested in Michigan for issuing threats after he posted a computer message describing how he wanted to torture, rape, and murder a fellow student. In a recent case in Calgary, police arrested a man for possession of child pornography that he had acquired from a computer bulletin board linked to the Internet.

It is true that in order to obtain much of the offensive material one has to go actively looking for the appropriate computer bulletin boards. However, some sources of pornography advertise their services in the computer discussion groups.

Although some work is required to find offensive material, pornography and hate propaganda often end up in the hands of impressionable children. As I am sure many members are aware, children and young adults are often far more proficient with computers than their parents are. We should not underestimate the persistence of some children.

We need to develop software that would allow parents to screen material that comes into their homes or schools, similar to what we can now do on TV. Children should not have access to pornography through computer bulletin boards, just as they are not able to purchase pornography from local stores. Parents must be able to control what their children view.

There have been cases of white supremacists using computer bulletin boards to attempt to recruit new members, especially among students and other young adults. We do not tolerate white supremacists recruiting in person in our schools, so I see no reason to tolerate them sending their hate propaganda to school children through computers.

• (1735)

Freedom of speech is one of our most important values. However, freedom of speech needs to be tempered by responsibility. It may be a cliché but it is nonetheless true that freedom of speech does not protect one's right to yell fire in a crowded theatre. In a similar fashion, freedom of speech does not protect hate speech. Canada already has laws dealing with the distribution of hate propaganda by conventional means such as books or on TV and radio broadcasts. However, our current laws are not having much impact on the electronic highway. So far there has not been a single case I am aware of brought against anyone spreading hate across computer networks.

Some users of the Internet have argued that they can regulate themselves. Certainly there are some examples of Internet users challenging and discrediting hatemongers. However, there is much offensive material out there. In a perfect world self–regulation would work; but as we all know, this is not a perfect world.

A combination of legislative action and self–regulation would perhaps be the best approach. We should encourage the development of a code of conduct among Internet users to discourage offensive E–mail and discussion groups. Some have likened the Internet to a town square or a worldwide debating forum. Just as there are accepted norms of conduct for discussions in public places, there should be norms of acceptable behaviour on the electronic highway.

Along with self–regulation, there should be some direction from Parliament. Canada's current laws are apparently having little effect on the electronic highway. The motion we are debating at the moment is needed to push for the expansion of current legislation to cover the Internet. This motion may not have any legislative authority, but it will demonstrate this House's desire and will to limit the spread of pornography and

hate propaganda. It will provide the courts with some guidance as to the option of the House of Commons regarding this issue.

I compliment the Minister of Justice for his statement last week at an international conference on crime prevention in Cairo, where he said that the government is considering new laws to limit the harmful use of computer networks and other forms of communication.

I believe this motion will encourage this government and others to continue their efforts to find a way to limit the spread of hate propaganda and pornography through the Internet. We need to encourage international cooperation to deal with the spread of hate propaganda.

Given the worldwide nature of the Internet, regulation will require worldwide effort. It will be difficult to limit pornography and hate propaganda if what is banned in one country is easily available through a computer bulletin board in another country. Just as hate groups are cooperating in order to spread their hatred of others, all countries must unite to combat hate groups.

I am well aware that it will not be easy to find ways to attack the spread of offensive items on the information highway. However, just because something is difficult it does not mean that we should not try. At the very least, by passing this motion we will send a message to the hatemongers and pornographers in the Internet that their messages are not welcome in Canada.

I congratulate the member for Winnipeg North for having the foresight and initiative to bring forward this motion encouraging us to give serious thought to this matter. I hope all members of this House will support this motion.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I rise today to speak on Motion No. 384 tabled by the hon. member for Winnipeg North requiring the government to move with speed to adopt legislative measures aimed at stopping the spread of hate propaganda via the electronic information highway while simultaneously preserving the legitimate use of the freedom of speech.

I would like to express my support for this motion immediately and I congratulate my colleague for Winnipeg North on this excellent private member's initiative.

As a member of a minority and a fighter for human rights since my youth, I am very much attuned to the fight against hate propaganda. I worked for many years with the union movement, which was behind the fight against racism and discrimination. I was also on the board of directors of the Quebec Civil Liberties Union. Many messages of hate and intolerance are directed at minorities, particularly visible minorities.

• (1740)

We must fight hateful, racist and discriminatory remarks expressed in all sorts of ways, including those appearing on the Internet.

Information technology is advancing by leaps and bounds. Thanks to the computer network, of which Internet is the latest and most impressive example, we can be in instant contact with people on other continents and in distant countries.

Internet currently comprises over 30,000 networks, 2.5 million computers and 35 million users in over 100 countries. These figures are rapidly increasing. A computer, a modem and a telephone are all it takes to access this information highway.

The Internet network can transmit documents, images, voice, music, films and so on.

Many Canadian firms are involved in setting up electronic highways, including Bell Canada, Northern Telecom, Unitel, Videotron, Rogers Communications, Stentor and the Sprint group.

These new technologies, however, cause considerable concern in some sectors of society as the media point out increasingly. What we have here, in some respects, is a public debate on certain basic moral values of the highest importance. All democratic societies must combat racism, discrimination and hatred. On the other hand, they must also protect freedom of speech and expression, and every person's right to respect, dignity and equality.

But, the state is not always well equipped to rise to the challenges brought on by the rapid and overwhelming development of new information technologies. I think that the motion introduced by the hon. member for Winnipeg North is of great merit, for it opens up discussion in this House on this very important issue.

Under our justice system, it is section 163 of the Criminal Code which governs obscenity and section 319 which governs the distribution of hate propaganda. The first provision, more particularly subsection 163(1), states that "Every one commits an offence who makes, prints, publishes, distributes, circulates, or has in his possession for the purpose of publication, distribution or circulation any obscene written matter, picture, model, phonograph record or other thing whatever". This subsection deals with mechanical or electronic means.

On the other hand, section 319 states that "Every one who, by communicating statements in any public place, incites hatred against any identifiable group where such incitement is likely to lead to a breach of the peace is guilty—". The provision describes two situations giving rise to a criminal offence: "*(a)* inciting hatred by communicating, in any public place, statements that may lead to a breach of the peace", and "*(b)* promoting hatred against any identifiable group by communicating statements other than in private conversation".

Are these provisions adequate to deal with the problems identified? For some people they are, but not for me. I should mention that our Criminal Code applies only in Canada, but the situation we are describing goes beyond our borders.

• (1745)

The problem is an international one, and it is therefore necessary to promote international co–operation on this issue. Incidentally, Canada has signed international conventions that could apply to this area. The two most important ones are the Convention on the Prevention and Punishment of the Crime of Genocide, ratified in 1947, and the International Covenant on Civil and Political Rights, ratified in 1976.

Hate messages may be sent from any country. It is therefore desirable to draft and adopt international guidelines for the use of the Information Highway.

The matter should even be taken up at the UN. The U.S. Congress is now examining a bill that deals with the proliferation of this kind of information on the Internet. One of the provisions of this bill provides for fines of up to $100,000 if a person uses a computer to annoy, insult, threaten or harass. I think this is an interesting proposal, and I also think a certain amount of co–operation between Canada and the United States would be desirable in this respect.

I support the suggestion made by the mover of this motion that we should adopt a code of conduct for suppliers of services on Internet and provide for a complaints mechanism.

The authorities should also start a campaign to educate the public and Internet users and suppliers on the right way to use the Information Highway and their responsibilities in this respect.

Users and service suppliers should also exercise a certain amount of self–discipline and restraint. So far, there have been no instances of legal action in Canada. The Minister of Justice and Attorney General of Canada must be vigilant when dealing with statements inciting hatred, violence and prejudice that are transmitted on the Internet. These hate messages constitute statements in the meaning of section 319 of the Criminal Code. The government should table legislation in Parliament to deal specifically with such cases.

The government must act immediately. We must fight racism, discrimination and intolerance. We must fight neo–Nazi groups, extreme rightist groups that promote white supremacy, anti–semitic groups, the Klu Klux Klan and all other groups that promote this kind of prejudice, and finally, all those who use the Information Highway to spread hate propaganda.

I therefore support this motion.

[*English*]

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it is a pleasure for me to address the very timely topic of Motion No. 384 today, that the House move with speed to adopt legislative measures aimed at stopping the spread of hate propaganda via the electronic information highway while preserving the legitimate use of freedom of speech and expression. If legislation is passed on this issue the government will inherit a truly enormous task.

I stand in support of this motion because we must always be fighting against wrong wherever we find it. Due to the increasing accessibility of illegal material directed especially at our young people we must struggle even harder to protect impressionable minds from feeding and growing on a diet of hatred, ignorance and fear.

I have a person in my constituency who has received quite a bit of publicity lately. This man is a young, white supremacist connected with militant American groups and, as the media loves to do, he was featured on television a few weeks ago. He said that he hates the government with a perfect hatred.

• (1750)

While I may have my own problems with the government, it certainly does not deserve hatred. The very fact that this fellow was allowed to say what he said on national television without being thrown in jail shows that he is obviously wrong in his beliefs.

In a great many other countries he would be more justified in making such venomous diatribes. In Canada it is easy to grab the spotlight and heap abuse on our system even while standing within the shadow of a benevolent government. I would be interested to know if he not only derives his freedom, but also gets his living from the very government that he says he despises.

I was reminded of this outrageous philosophy at our local V–E Day remembrance day services I attended last weekend. Together we remembered the millions of young soldiers who dashed all their hopes and dreams against Hitler's mightiest armies, the man who attempted to put the whole world under his jackboot.

Hitler did not care about the Canadians, the Europeans, the Americans, the countless Asians who died. He did not even care about his own people. He cared about power. He used young, impressionable, dissatisfied men, like the man from my constituency, to get it for him. Many of them died along with their leader in the second world war.

It is an incredible irony that the very system that tens of millions of people fought to the death to preserve is now being used to shelter someone like this, who promotes Hitler's philosophy. It stands as yet another proof of the incredible strength and essential goodness of our political system. While we must

preserve this freedom, we must also preserve the stability of the system. Otherwise all those soldiers would have died in vain.

As the human body tolerates all sorts of germs, it also struggles against infections. Our society is like an organism that plays host to all sorts of philosophies but it, too, has the right to guard against those which are most destructive.

Hate literature and hate propaganda on the Internet are like pollution washing up on a seashore. Although we may never get rid of all the pollution, we must always keep cleaning the sand on our portion of the beach or else eventually we will be buried in the pollution. More and more hate literature is washing up on our personal shores, in our homes and businesses each and every day. We must actively battle it or risk having impressionable people won over by it.

Those who would claim an untrammelled right of freedom to use the Internet for any purpose stand on shifting ground. They would never claim that right in other areas. For instance, no one acknowledges the right of bank robbers to use our system of roads with complete freedom. Every time bank robbers use our highways to get away, the police do their utmost to stop this abuse of freedom. It should be the same when one travels the information highway.

To use another analogy, no one would claim that the government has no right to regulate the use of poisons in the marketplace, to pass laws to make sure that the poisons do not sit on a shelf alongside the food that we must purchase. Likewise, there are poisonous thoughts that should never sit on the shelf beside harmless chat groups and information libraries on the Internet.

There is a difference between freedom and licence. Freedom is simply the right to do whatever is good but licence is the abuse of that right in order to harm others. In the case of the Internet, the definition of harm becomes all important.

One of the hardest things is to define an intellectual crime where victims do not suffer physical or monetary loss. Should all white supremacist material be thought of at hate literature? Is pornography hate literature? Are religious messages that decry the actions of a person or a group based on a legitimate sense of moral offence hate literature? How can one determine the degree of hatred? Is just a little bit of hatred okay? It is very difficult to define a hate crime.

The next problem we encounter is very nearly insurmountable. That is the matter of enforcement. The member for Winnipeg North is perhaps suggesting the most difficult of all possible tasks, an act of global regulation.

Internet messages are nearly anonymous. There are trillions of possible hiding places in the Internet. The sources of hate literature are limitless and the criminals can be located anywhere in the world. If one is found and prosecuted within Canadian borders, 1,000 can take his place from any other country.

Obviously any regulation of the Internet would require international co–operation and it could only hope to drive the worst offenders underground. I note with satisfaction the Liberal House leader was reported on March 28 to have spoken favourably about an international agreement to stop the flow of this material into Canada. That would be necessary.

• (1755)

We want to avoid a vast bureaucracy of Internet police hired to listen to private conversations. If a police force was able to listen to all private telephone conversations, we would think it was a terrible abuse of human rights. I would certainly think so as well. All kinds of offensive things are communicated every day in person or over the telephone lines. People have a right to their privacy even when they say bad or ridiculous things.

However, the difference between personal communication and the Internet is that personal communications are inaccessible to all but the communicating parties. Through news groups the Internet makes essentially private conversations and communications available to anyone. That makes the Internet a thing of beauty and a beast at the same time.

A partial answer is in international agreements but perhaps the most effective answer lies in the actions of the people of goodwill who might act as volunteer watchdogs on the Internet. Millions of people read each other's thoughts each day and comment on them. Thousands of users can get together and electronically sanction someone who abuses the information highway.

This volunteer policing effort holds real promise for cleaning up the Internet, but once again that careful balance between free speech and responsible speech must be preserved, providing room for legitimate disagreements. That is why I think the most effective action the government could take is not legislative.

Government could get the best bang for its buck by supporting the development of a set of Internet conventions or broadly based rules. Call them operating rules, call them a public code of conduct or electronic ethics. These guiding principles would suggest to users when they should report to police, when they should simply reproach the sender or when they should band together to sanction another user.

Most Internet users around the world are responsible people, despite the horror stories we read in the newspapers. If there are vastly more responsible people than irresponsible ones, then it should be simple to obtain their co–operation in stopping the spread of material that is illegal.

The government could sponsor a small advisory group to take leadership in this area, to draft these voluntary Internet conventions using the legal assistance that government can provide and have the group go global on the Internet with its proposals, not working necessarily from government to government but from user to user. Let users decide among themselves what should be allowed and what should not.

Winston Churchill said in a speech at Harvard University in 1943 that the empires of the future are empires of the mind. This has never been more true than in the case of the Internet. At the moment it is purely an intellectual kingdom, but thoughts are powerful. Ideas in cyberspace translate into real world action and an Internet kingdom without laws will one day generate lawless deeds.

If the government passes laws to prosecute the worst offenders and helps to develop conventions for voluntary action on the Internet, this intellectual kingdom will become one of peace and safety. We can hope for nothing better for us and for our children than to experience that peace.

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I rise in support of the motion put forward by my colleague, the hon. member for Winnipeg North. I applaud his efforts on behalf of Canadians in bringing this to the attention of the House and moving to take an important step by recommending we take action and move forward in abolishing hate and hateful messages on the information highway.

It is clearly not an easy aspect to consider as the Internet is travelled and is accessible from anywhere in the world. It is important subject matter and an important area for us to be concerned about as our children increasingly participate in and use the Internet and computers generally.

We must think not only of Canadians. Our messages travel around the world. We must think about people in other countries as well. Canada is a society that has grown and developed a very important ethic of tolerance, an ethic in which we disagree with those who tend to promote hate. We would like this concept of tolerance that we have developed in Canada to be spread around the world through media like the Internet through approaches like the worldwide web.

• (1800)

Let us keep in mind at the moment that the problem is relatively small. At this point only a tiny proportion of the 5,000 Usenet discussion groups have any problems that might come under this concept of hateful material.

Nevertheless, it is important because of the rapidity with which the Internet is expanding, which it is estimated now reaches some 40 million people around the world, that we start to move in this area. In doing so, I think it is important to first recognize that there are areas under the current telecommunications legislation and regulations where offensive and unsolicited content or messages can be dealt with.

For example, under section 8.2 of Bell Canada's terms of service which sets out the basic rights and obligations of telephone companies and their subscribers, customers are prohibited from using the public telephone network in a way that is contrary to law for the purpose of making annoying or offensive calls. Originators of such calls, hate or racist messages on a telephone answering machine can be prosecuted. The public can file complaints with the telephone company or the CRTC who will pursue these investigations.

Section 41 of the Telecommunications Act authorizes the CRTC to take regulatory steps to protect consumers against possible abuses from unsolicited telecommunications, computerized solicitations or junk faxes which may contain offensive content. Under this section, the commission introduced regulations restricting the use of automatic dialling and announcing devices for the purpose of broadcasting commercial messages, as well as various safeguards to protect consumers against unsolicited messages such as call blocking. While not intended specifically to control the dissemination of offensive content, these regulations can nonetheless be used to discourage abuses in this area.

Section 36 of the Telecommunications Act gives the commission some latitude in allowing telecommunications carriers to take into account the content or the message it carries over its facilities.

A case in point is the commission's approval of a number of safeguards to protect consumers, particularly children, against unwanted exposure over the 900 number telephone service which delivers audiotext services, including so–called adult entertainment.

The commission granted the telephone companies some discretion to refuse to provide billing and collection service to certain 900 service operations which in the opinion of the telephone company offer a program or service which does not comply with the program content guidelines approved by the commission. This forces the service provider to use an alternative billing method such as credit card billing, prepayment or some other approach which provides greater control by consumers over the use of the service. The CRTC has also provided a number of other protection measures, including the provision of call blocking of 900 service upon request.

Consequently, in situations where the material is not illegal under the Criminal Code there may still be levers to block, control or limit its dissemination.

There is of course no reason to believe that the Criminal Code itself cannot be used on the information highway, although to date it has not been so applied, but it remains there. It is an area

which as in other forms of communication, print media, et cetera, can certainly potentially be used.

Under the information highway advisory council there are some initiatives already under way. The advisory council, which we appointed last year, has been looking at this area along with a number of other areas in terms of how Canada should have solid initiatives and policies in the area of the information highway.

• (1805)

At its most recent meeting on April 21 the council brought forward for third reading a four-pronged approach to the limitation or attack on any hate messages which might be found on the information highway. The four-pronged approach includes attention to law enforcement in this area, to the development of a code of ethics as it applies to the information highway, and also education and public awareness. This area is growing very rapidly in use. It is important for school children and people in communities and for all Canadians to develop an awareness of what the media is, how it works, and the limitations and advantages of it.

Another approach is the technological approach. It is rather interesting that the technology to block, monitor or interfere with hate messages and hate propaganda is something which is coming. It may provide users of the information highway with approaches that will be very useful in the future.

With regard to the already existing legislative measures, I would like to talk about four points briefly.

Criminal Code sections 318 to 320 may apply. Also section 13 of the human rights act can apply. One problem is that computers on the Internet do not recognize international boundaries. It would therefore be rather difficult unless there are common international standards, regulations or laws to control it when it originates from other countries. There may be potential for bilateral and multilateral arrangements. This is something that could and should be pursued.

The second prong of the approach suggested by the Information Highway Advisory Council deals with development of a code of ethics. Other areas of communication, for example many of the established media industries such as broadcasting, cable television and sound recording have successfully adopted voluntary guidelines to deal with offensive content. We feel it is advisable to move in this area on the information highway.

The third prong of the council's strategy deals with public awareness, an important initiative which we need to undertake. It also deals with technological approaches which can be used to block transmission to allow schools and parents to filter content coming into homes and schools. I think we will see these sorts of filters more widely used. These can be very helpful in allowing individual Canadians to control access and content coming to them.

These sorts of initiatives are coming from the Information Highway Advisory Council. This is a grassroots move and is strongly supported by my hon. colleague for Winnipeg North. The motion is an important step forward. I support it and think we can move forward together and create an electronic world which is not only exciting, but is also one which is ethical.

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I am pleased to rise today in support of the motion by the hon. member for Winnipeg North.

The information highway has the potential to become one of the most glorious tools ever imagined, providing links between people all over the globe. Its potential for positive interaction for the sharing of information and ideas and education is unlimited.

• (1810)

How tragic to think of it instead as a tool for those who would use it to spread their own malicious, bigoted, racist ideas, particularly to our children. I have read some of the vile messages these people have posted. The thought that my children might also read them makes me sick at heart.

Canada has long had a reputation as a tolerant and compassionate nation, accepting with open arms immigrants and refugees from all over the world. Many of these people have fled their homelands to escape persecution. Many were being persecuted on the basis of their race alone. They have come to this great country believing that at long last they will be free to live their lives in peace. I can only imagine their horror when they discover their young children innocently tapping into a cesspool of hate propaganda.

What of our older citizens who have lived through the unspeakable horrors of the second world war, some as fighters in our armed forces, some as victims of the madness of the Nazis? This year and this week in particular we are remembering the end of the second world war in Europe 50 years ago. We are once again celebrating the victories of those men and women who fought so valiantly to make the world safe for democracy. We are remembering those who lost their lives so that we could live in freedom and dignity. Were these sacrifices for nothing? Do we not owe it to them to continue the fight?

Our veterans came back to Canada from the war with an understanding of what happens when one group of people determines that another is inferior to themselves. They saw firsthand the inhumanity man can inflict on his brother in the name of nationalism and racial superiority. They taught their children and their children taught their children the importance of tolerance for the beliefs of others. How sad that their great–grandchildren are being targeted for this misinformation. How sad that the very first information they might receive about

the Holocaust could be misinformation from a revisionist intent on reviling the Jewish people.

People have fought and died to preserve the rights and freedoms we enjoy in this country, but they did not fight and die to preserve the right of one group of people to defame the reputation of another. They did not fight and die so a skinhead using equipment at a publicly funded university could call into question the rights of Asian and black people to live in freedom and bear children.

Freedom of speech and expression is one of the most important and basic rights of all Canadians, but it is not a right without limitation. We have laws in this country prohibiting the public incitement of hatred. These people are breaking our laws.

We have heard that the users of the Internet are a self–policing group and are flooding those who are spreading hatred with messages countering their arguments. I commend these people for caring enough to try to counteract the hate propaganda, but my concern is that these messages are still being received. Right now it seems impossible to stop the perpetrators of hate propaganda on the Internet. That is why it is so important to start looking for solutions immediately.

The hon. member for Winnipeg North has suggested a number of areas in which the Canadian government can begin looking for solutions. I am in full agreement with all of these suggestions, particularly his suggestion that these measures must be taken immediately. Time is of the essence. We must stop this flow of hateful and hurtful information now. The information highway must be a conduit where all people feel welcome.

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, certainly I am very delighted over the last two hours of debate on the motion to have observed a unanimity of hearts and minds on this very crucial issue. I feel a resolve on the part of Parliament not to allow hate in Canada. It is a commitment to a fundamental Canadian value.

On that note, I would appreciate it if you would seek unanimous consent, Mr. Speaker, to adopt the motion.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to.)

The Deputy Speaker: It being 6.17 p.m, the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.17 p.m.)

HOUSE OF COMMONS

Thursday, May 11, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 31 petitions.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

SCRUTINY OF REGULATIONS

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, pursuant to Standing Order 123, I have the pleasure and honour to table the third report of the Standing Joint Committee on Scrutiny of Regulations.

Your committee recommends that a House order be issued to repeal certain provisions of the National Capital Commission Traffic and Property Regulations.

* * *

[*English*]

PETITIONS

GUN CONTROL

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, this morning I have a few petitions to present from constituents around British Columbia.

The first petition requests that Parliament revise the prohibited weapons order to exclude item (t), namely the Swiss target rifle. Some are used for competition and the petitioners would like to see them excluded.

The second petition is on behalf of British Columbians. They request that Parliament reject Bill C–68 on firearms.

ASSISTED SUICIDE

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, the third petition requests that Parliament protect the present provisions of the Criminal Code of Canada by not allowing assisted suicide or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, the fourth petition requests that Parliament protect the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

HUMAN RIGHTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, the last petition requests that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms to include the phrase sexual orientation.

GUN CONTROL

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have six petitions respecting the issue of gun control.

The petitioners pray that Parliament not enact any new firearm registration fees, costs or any further restrictions on the ownership, sale, use, transportation or storage of firearms.

BILL C–41

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, I also have four petitions containing 322 signatures requesting Parliament to delete entirely section 718.2 from the Criminal Code of Canada pursuant to Bill C–41.

HUMAN RIGHTS

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, I also have two petitions with respect to the issue of amending human rights legislation to include the words sexual orientation. This petition contains 155 signatures.

RIGHTS OF THE UNBORN

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, I have the honour to present three petitions on behalf of the constituents of my riding of Selkirk—Red River, Manitoba.

In the first petition, my constituents pray that Parliament extend protection to the unborn child by amending the Criminal Code.

ASSISTED SUICIDE

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, in the second petition my constituents pray that Parliament continue to reject euthanasia and assisted suicides in Canada.

HUMAN RIGHTS

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, in the third petition my constituents pray that Parliament not amend the human rights code using the undefined phrase sexual orientation.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 161 and 169.

[*Text*]

Question No. 161—**Mr. Scott (Skeena):**

With respect to the Young Offenders act, (*a*) what are the objectives of the Act, (*b*) by what criteria is the attainment of these objectives measured, (*c*) what efforts has the Department of Justice made to evaluate the success of the act in terms of these criteria, and (*d*) to what extent have the objectives of the act been met?

Mr. Russell MacLellan (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.): One of the primary objectives of the Young Offenders Act is to fashion dispositions which provide adequate public protection while maximizing the opportunities for the rehabilitation of young offenders. While Canadians may have different views on how this objective can be met, it seems clear that our fundamental goal is to ensure that as many youth as possible become fully participating and contributing members of our society as adults, in accordance with the values of our society.

The changes which the government has introduced to the act in Bill C–37, which is currently before the Senate, attempt to clarify the distinction between appropriate responses for non–violent versus violent offences. The bill further states that young persons who are not convicted of crimes involving serious offences can be held accountable for their actions through non–custodial dispositions. There is an opportunity, in our view, for greater use of more constructive dispositions such as compensation, restitution, and community service in situations where public safety is not at issue.

With regard to offences of violence, Bill C–37 is clear that public protection must be given priority in assessing the nature and length of dispositions appropriate for these offences. The maximum sentences for youth charged with murder who remain within the youth justice system have been lengthened to ensure that public confidence in the system is not undermined by responses which seem disproportionate to the gravity of the crime. Bill C–37 provides that 16 and 17–year old offenders charged with very serious offences, such as murder, manslaughter and aggravated sexual assault, will be presumed to be dealt with in adult court unless they can satisfy the court that the competing interests of public protection and their rehabilitation can be reconciled within the youth justice system.

A review of actual sentencing practices and the rate of recidivism is one criterion by which attainment of the objectives of the act can be measured. Are offenders charged with serious crimes of violence receiving sentences which provide adequate protection to the public while affording them opportunities for rehabilitation? We know that only 19 per cent of crime committed by young persons involves violence, Youth Court Statistics 1993–94, in *Juristat*, January 1995, Vol. 15, No. 3, p. 7. Some suggest, in fact, that young offenders are more likely to receive dispositions which are more onerous than adults.

Another criterion for assessing whether the objectives of the act have been realized is the degree of public confidence in the youth justice system. In part, this is also a public information issue as there appears to be some misconceptions about the nature and length of sentences given in respect of crimes involving youth. There are statistics which indicate that there appears to be a gradual increase in the use of custody in respect of young offender dispositions and that much of this custody is used in respect of property offenders. Not many Canadians appear to know how the youth system actually operates and how successful it has been. Public legal education is an important initiative with which the Department of Justice is involved in conjunction with other government departments.

In terms of the efforts the Department of Justice has made to evaluate the success of the act, this work is already under way. The Department of Justice, in collaboration with the provinces, set up a Federal–Provincial–Territorial Youth Justice Task Force to prepare a report by the fall for ministers and deputy ministers respecting various pertinent issues relevant to youth justice. Some of the issues being canvassed are appropriate mechanisms to deal with serious offenders, a determination of the interrelationship between the justice system and other services, such as health and child welfare, and the role of diversion in responding to criminal behaviour.

Informing all of this work is recognition of the need to formulate a scheme which is responsive to public conerns about the youth justice system, while at the same time maximizing opportunities for constructive responses to youth crime. That process will give us a very comprehensive assessment about the ability of the Young Offenders Act to meet its objectives.

The Department of Justice is also in constant contact with legal experts and practitioners in the youth justice system during the formulation of policy which affects young offenders. These inter–actions provide the department with ongoing feedback about the effectiveness of the Young Offenders Act.

Current public discussion about the Young Offenders Act has also alerted law makers to the limitations of legislation. We are quite convinced that legislation alone will not eliminate youth crime. Poverty, unemployment, family violence, racism, illiteracy, alcoholism and drug abuse and many other factors may contribute to criminal acts by young people and adults alike. In this regard, Bill C–37 expressly recognizes that crime prevention is essential to the long term protection of society and requires addressing the underlying causes of crime by young persons. In turn, this mandates the need to develop multi–disciplinary approaches to identifying and effectively responding to children and young persons at risk of committing offending behaviour in the future.

Question No. 169—**Mr. Pomerleau:**

Concerning old age pensions to how many recipients are benefits paid outside Canada and how do we ascertain that these recipients are still living?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): In 1994 old age security, OAS, pensions were paid to 66,531 individuals outside Canada.

Notification of the death of a recipient may come from a variety of sources, such as: family members, a trustee, a local authority, a returned benefit cheque, or an application for a Canada pension plan death or survivor benefit. As well, controls program unit within income security programs conducts verification checks on an ongoing basis.

There are currently no specific procedures which apply to pensioners outside Canada as compared to pensioners inside Canada. However, the February 1995 budget stated: "Effective July 1, 1996 OAS recipients who are no longer resident in Canada will have to file a statement of their worldwide income in order to continue to receive OAS benefits." This requirement effectively provides a specific verification process.

[*Translation*]

Mr. Gagliano: Mr. Speaker, I would ask that the remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

POINT OF ORDER

COMMENTS MADE BY THE MINISTER OF TRANSPORT—SPEAKER'S RULING

The Speaker: My colleagues, I would like to make a brief statement about the point of order raised on Monday, May 8, 1995, by the hon. member for Berthier—Montcalm.

• (1010)

The member stated that the Minister of Transport had challenged his integrity during Question Period on May 5. Specifically, the member objected to the minister's remarks that he had betrayed a confidence of the House by revealing information learned in a lock–up.

Lock–ups are information sessions which operate independently from the House. Disagreements about lock–ups therefore are political matters best dealt with at the political level. Further, the member indicated that he had in fact obtained the information in question from press reports.

When the matter was brought to my attention in the House on Monday, I stated that the interpretation of what was said was a matter for debate, but nonetheless promised to take it under advisement, I am still of the view that the words used were not unparliamentary.

That said, let me turn to a related matter which is of great concern to me. When opinions are strongly held, the cut and thrust of debate can go beyond the realm of what may be considered acceptable. It is true that the Speaker must look at the context in which a word is uttered, and the tone used when a word is said, when considering whether a particular word or remark is unparliamentary. As I noted on Monday, members have every right to request that language, when ruled to be unparliamentary by the Chair, be withdrawn.

Standing Order 18 requires members to refrain from using offensive words.

There exist certain words, which, regardless of the tone used or the intention of the user, have, by their very connotation, a tendency to elicit negative reactions from other members. We saw an example of this yesterday when the word "traître" was used in the House. Objections are raised each time this or similar words are uttered. These serve no constructive purpose and, more often than not, deflect the

House's attention away from the serious matters before it. I strongly urge all members to ponder the potential impact of such words before using them.

I hope that members will seriously consider what I have said today and I thank all members for their attention.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—GOVERNMENT POLICY

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.) moved:

That this House condemn the government for its failure to keep its red book promise to make the government more open and permitting members of Parliament to be more accountable to their constituents.

He said: Mr. Speaker, I want to inform the House that pursuant to Standing Order 43(2), I and following Reform speakers will be splitting our time.

I am pleased to rise today to debate the Reform motion that condemns the government for its failure to keep its red book promise to make the government more open and permitting MPs to be more accountable to their constituents.

I thumbed through the red book the other day for the first time in a long while. I read the chapter on parliamentary reform and integrity in government. The rhetoric was wonderful. However looking at the history of this Parliament to date, the promises have not been kept and the government needs to be held accountable for that breach of trust with the Canadian public.

The government has failed so miserably in the area of open and honest government that it is starting to make Brian Mulroney's Tories look like saints. Believe me, the Tories certainly are not saints.

The government has been secretive, hierarchical and top down. It has hidden behind every excuse to avoid changing the structure and practices of this place and to avoid divulging information that the public has a right to know.

• (1015)

My reform colleagues and I will demonstrate through debate in the House today that the government has failed the Canadian people through not delivering on the following promises. They failed on their commitment to not use time allocation and closure. They failed on the issue of an independent ethics counsellor. They punish their own backbenchers for putting their constituents first.

The process of sending bills to committee prior to second reading is becoming a sham and the government has reneged on its commitment for more free votes in the House. This government has overused the order in council mechanism to slide through its own agenda. Its members have continued the proud Tory tradition of patronage, both in appointments and in the rewarding of party friends with government contracts without open tender. And the committee structure has made a mockery of democracy because of the overly zealous whipping of Liberal members.

The government has gone out of its way to block and refuse requests for access to information. Interestingly enough, in yesterday's *Financial Post* there was an article on the gag law, Bill C–114—"the infamous law that would send Canadians to jail for up to five years if they individually or as a group spend more than $1,000 to support or oppose political parties or candidates during a federal election". The Liberals are supporting this. The article indicates that they may even appeal to the Supreme Court to continue to gag Canadians. They are breaking their promise of not being an open, responsible, and accountable government.

This government has made a number of promises in the red book about openness, democracy, parliamentary reform, and the freedom of members of Parliament to represent their constituents. I along with my Reform colleagues will go page by page through the red book and show how their promises were broken.

We are starting to rip pages out of the red book because they are irrelevant. All we will have left pretty soon is the cover, a hollow shell of what was a grandiose scheme that they presented to the electorate in the last election campaign.

We would all agree that the House of Commons is supposed to be a place of free and open debate, a place where every member should have the opportunity to give the pros and cons to each piece of legislation, particularly to explain to other members how any bill or motion will affect their own constituents. There is a procedural device that puts all that at risk, and the procedure is time allocation, used so many times by this government. Time allocation, or closure, is the most undemocratic of parliamentary procedures. Its only purpose is to stifle debate, robbing members of an opportunity to speak so that the government can ram through its agenda without scrutiny by all members of this House and without every member having an opportunity to place their position on the record if they so choose.

When the Liberals were in opposition they agreed that time allocation was undemocratic and unfair. They howled at the Conservative government whenever time allocation was used. They cried foul, they whined to the media, and they vowed never to use such an evil procedure if they ever got into government.

The previous member for Ottawa—Vanier, now undemocratically ushered into the Senate, said that closure was far from democratic. The member for Winnipeg St. James called it draconian. The member for Notre–Dame–de–Grâce, an

experienced parliamentarian who is also the chair of the justice committee, said that it was a hijacking of democracy. The member for Kingston and the Islands, whose opinion I respect, said it was morally wicked. Those are strong words.

The Conservative government used closure fifteen times during the last Parliament—fifteen times in five years. It sounds pretty bad, and it is. The government has already used closure and time allocation ten times in only two years. This is despite a promise by the Liberal government House leader to use this blunt instrument far less than the Tories did. At this rate, they will pass their old record of 25 uses of time allocation set by the Liberal government in 1980 to 1984.

Despite all the damage the Liberals did to Canada during the 1970s and 1980s, they are in government again today and they are making frequent use of the time allocation measure. They have used time allocation ten times in this Parliament, so they have already made it into double digits, ten times in the short time we have been here since the election. The most undemocratic of parliamentary procedures has never been used so much and so shamelessly.

They brought in time allocation on Bill C–18, an act to interrupt the redistribution of electoral boundaries, at second reading. They brought it in on Bill C–32, the Excise Tax Act, at third reading. They time allocated third reading of Bill C–35, the Department of Citizenship Act. It sounds like a real national crisis.

• (1020)

This was done at both report stage and third reading of Bill C–33 and C–34, dealing with self–government in Yukon. On Bill C–68, currently being debated in committee, they implemented time allocation at second reading. The government time allocated the second reading debate on Bill C–76, the Budget Implementation Act.

Only in one case was the use of time allocation justified. That was in the case of a national emergency, an act to end the national rail strike. In this justifiable case, Reformers cooperated fully with the government.

It is well worth looking at the nature of the bills the government pushed through the House without full debate. The Electoral Boundaries Readjustment Act is itself an undemocratic measure and was rushed through. Obviously the government was showing little shame in what it was doing. It was trying to limit the amount of public discussion on the bill. Other bills show a similar pattern: the Excise Act, self–government acts, gun control acts, budget implementation, all bills that try to pull a fast one on the taxpayers or on Canadian citizens.

It is clear the Liberals feel that if they do not like the nature of a debate, if they get uncomfortable over on the other side about the attention the opposition is focusing on some of their initiatives, they simply want to cut off the debate; they will not talk about it. This is unacceptable. This is undemocratic, and the government went out of its way to profess it would never do such a thing.

The Liberals have gone back on their word ten times already on this issue of closure alone. When they break their word so often and so easily, how can they expect anyone to believe them at all? It is no wonder the Canadian public is beginning to tire of the unethical and politics as usual actions of the government.

Another great promise of the government was that it was to open up the legislative process and allow more MPs the opportunity to have input into the creation of bills. The government announced it would allow certain bills to go to committee before second reading so members could have some input before the bill was written in stone. We have seen with Bill C–45, an inadequate correction of the Parole Act, and with Bill C–64, an act dealing with employment equity regarding the public service, which is currently before committee, that the government has kept and is keeping a short leash on its members in committee to ensure that no significant changes will be made to these bills while they are in committee.

It is a done deal. The government knew these bills were out of touch with common sense Canadians, so it was vigilant not to let public opinion or reasoned debate from the opposition sway their members. All the talk and bluster from the government benches has been a sham. There has never been any intent to accept any advice or input from their own backbenchers, let alone someone from the opposition side.

I wonder how my friends on the government back benches feel about the amount of input they do not have in the legislative process. On Bill C–68 and Bill C–41 we have heard that the members on the other side are very concerned about these measures. These and the budget are all good examples of how the cabinet views the opinions of rank and file Liberal members. They are told to toe the line; they must be team players and back the party on this one. The trouble is that every single vote comes up as another "this one". Get in line, folks.

I want to bring up the issue of the position of the Speaker. This is a very interesting promise made by the Liberals while they were in opposition. They produced a document entitled "Reviewing Parliamentary Democracy". It sounds really good. They always pick such nice words. It sounds really nice. What are the actions involved?

I quote from that document from the section dealing with the Chair:

In order to enhance the independence of the Chair and in an effort to reduce the level of partisanship, when the Speaker is from the Government party, two of the junior Chair Officers should be from the opposition, so that the four presiding officer positions are shared equally by Government and Opposition.

That was Liberal policy. That is what they took into the election. They broke that promise. It is just one of many promises they have blatantly broken, with no intention to keep them whatsoever. That is wrong. Canadians need to know about it. Whenever we start talking about these issues we are cut off in debate. That is brutally unfair and brutally undemocratic.

The document was authorized by the Parliamentary Secretary to the Government House Leader, the member for Kingston and the Islands. It was authored by the current government whip, by the Secretary of State for Parliamentary Affairs, who I see sitting in his seat across the way, and the minister of public works. These people signed their names to this promise and they did not keep it.

I wonder why it was not done. Is the government trying to set a record for the number of promises it can break, for the number of times it can go back on its word in one Parliament? What a sad case this is.

• (1025)

The government has failed completely on the issue of ethics, accountability to constituents, parliamentary reform, commitment to fairness, and equality of all members of the House.

I appreciate the chance to explain to the House why we are so concerned about our rights and freedoms as members of Parliament to function in an atmosphere where we can be effective, truly represent our constituents, and truly add to the dignity of this place in a manner Canadians deserve.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, today is a very important debate for Canadian people because it goes right to the root of our democratic rights. It is very important in this country that we recognize that democracy is something that has to be looked after. It has to be protected. We have to be vigilant in the protection of our democratic rights.

Democracy means rule by the people. It is not an exaggeration to say that in this country we have far from rule by the people. We have rule by the party. That is an abuse of democracy, which must be fought vigorously. Every single citizen is responsible to make sure that our country remains a democracy. The people whose money is being spent, whose future is being decided, and whose country is at stake must take a responsibility to be vigilant in this area.

We have 295 members of Parliament who represent the people. The people have put us in this place on their behalf to examine the laws that are being proposed, to look after their money that is being spent, to make sure that their long term interests are protected in advance.

What do we have? The government has never lost a single vote on a government bill. Why? Because the government has the most members in the Chamber. Is it really the wishes of all the government members that carry the day in this place? The answer is clearly no. If government members dare to listen to their constituents who have concerns about the effect of certain legislation they are punished as severely as possible. If they are punished publicly, can you imagine what goes on behind closed doors, the threats? They are told to get into line or they will be sorry. That is a sad way to run a country, and it must be attacked. It must be corrected.

I read the document my hon. friend referred to that was put out by the Liberals before the last election, and I thought this is good, this is what I have been thinking should be done: more freedom for bills in committees, more free votes, more independence for the Speaker of the House. All those things that were talked about are so badly needed in Parliament. Yet as soon as they were elected the Liberals turned their backs on their own document, on their own promises.

This cannot be tolerated by the Canadian people. They have a right to expect that when people put their name to a document, when they stand and campaign on promises that real reforms and real democracy will come into the House, there will be a real commitment to follow through, not a cynical abrogation of those promises as quickly as possible.

We have to look facts in the face in this country. The people who really call the shots are the Prime Minister, his advisers, and some members of the cabinet. The country is run by a very small group of people. That cannot be tolerated.

Our own mother government of Britain, which our Canadian Parliament is modelled after, has had free votes where members are free to vote the wishes of their constituents and the members are not whipped into line by their parties. They have had that for over 20 years in Great Britain. Yet in this country we tolerate a small group of people who force their will, their agenda, their viewpoint on a whole country without proper and open debate.

• (1030)

In a year and a half on critical bills, on bills that have long term consequences for the country, we have had debate stifled and cut off 10 times with many more to come. Why do we stand still as citizens for this sort of thing? Why do we not send a message to the Liberals who are governing the country that we simply will not tolerate this any more, that we will have open debate, that our elected representatives will have a chance to address the issues and get them out before the

public and will be free to then vote the way they know their constituents' interests are best fulfilled, best responded to and best served?

It is absolutely critical we get serious about this whole area of how our democracy works. We all know the saying, and sometimes these sayings are so profound they have simply become trivial and commonplace to us, the price of freedom is constant vigilance.

It is absolutely critical that in the rules of the House, the way we conduct ourselves and interact as parliamentarians upholds those high standards of democracy and representation are so much at the heart of what we hold dear.

It is very important that Canadians listen to the debate today, recognize what we are trying to say, need to move toward more democratic measures. Many of my colleagues will be outlining exactly how these democratic measures will work in practice and in reality.

Other stable mature democracies have many of the measures we have proposed for several years. Those democracies give so much more scope and respect to the real wishes of the people being served. It is important to recognize we do not want to be governed by a small group of people. We do not want to be governed by people who then force, coerce and impose their will on the rest of the country. Their viewpoint is often not anywhere close to what common sense people in the real world think and feel about issues.

The foundations of the values and ethics that underlie much of what we have done in the country are being questioned, attacked and changed in ways we have to look at and debate.

In Bill C–68 individual liberties we have held dear in the country for decades, since the founding of our country, are being abrogated. In debate this does not come out. This is not something we should take lightly.

There are many things in the bills that come before Parliament that Canadians have a right to have brought out by the parliamentarians they have elected to represent their interests. They have a right to have those views endorsed in the votes in the House.

When Canadians see a party or a government telling its members to vote the way they are told to by the top people in the organization or they will be sorry, punished and deprived of their right to have input into the proceedings of the House, it is time for Canadians to stand up and say: "I don't think so. We will not have our country run that way. We will not vote for a party that will do these things. We will not support this way of running our affairs".

I appeal to Canadians today to watch this debate, listen to this debate, to do what has to be done to put their will forward so our country is run in a fair, open and democratic way, a way that serves our best interests both now and in the long term.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it seems members at this end of the Chamber have very short memories.

I have been very impressed with the concept of private members' bills. I have noticed even one of our members has been able to proceed with a private member's bill from its inception all the way through to legislation. I do not think that has happened for a long time in the House.

• (1035)

Once again, our memory is a little short. The member for Mission—Coquitlan recently had her own private members' bill referred to a committee.

I have spoken to some of our legislative counsel and I have discovered that in Britain, the model of our Parliament, this system is very much undemocratic. The members do not have a lottery system like we have in the House. The individual member is picked and then formulates a bill.

In that country the government uses its members to introduce government legislation rather than reaffirming the rights and independence of individual members.

I would like the member to comment on the relationship of introducing their own private members' bills and referring them to committee as part of our democratic and legislative process which is very real in the House.

Mrs. Ablonczy: Mr. Speaker, the country is not run on private members' bills. It is run by governments by their own legislation, by their own programs. Private members' bills have a minuscule impact on what happens in the country. It is good that we have the freedom to bring forward private members' bills. It is also to the credit of the House that sometimes common sense, workable proposals get through the House.

Nobody ever said the system had no good things to it. Clearly it has many good things. However, it is important to remember there are critical areas in which this place is very undemocratic.

I know the Liberals will point to the small things they see as being workable in the House, and well they should. What we really need to address are the big, gaping holes in the democratic workings which have to be fixed. I urge the member to look at what can be fixed, made better and what could be more democratic, rather than clinging to the very small pieces of wood in the ocean.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I will be brief. The member for Calgary North serves on the human resources development committee. It travelled extensively across Canada to look at reforms to

Canada's social programs and safety nets. This was with the support of the Minister of Human Resources Development.

My understanding is that while there may have been some flaws in the process, the committee worked very hard travelling across Canada. Its work was totally ignored by the government.

I would like to find out whether whether the member for Calgary North could confirm my suspicions.

Mrs. Ablonczy: Mr. Speaker, the process of consulting with Canadians whose interests are being served in these exercises is very important. Not only were ordinary Canadians virtually closed out of the consultation process, but even the recommendations from parliamentarians on the committee have yet to do anything but occupy a dusty shelf somewhere.

It is a disgrace to pretend we are really seeking the best solutions when even recommendations from the government side and our own dissenting opinion on that report simply went nowhere.

There is a long way to go before committees of the House really act like committees and deal with substantive issues and the recommendations are vigorously respected and put into place.

[*Translation*]

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am proud and honoured to participate in this debate, since our government's achievements in the last 18 months in terms of parliamentary reform, integrity, openness and fulfilment of our election promises are unprecedented in Canadian history.

I think that the motion put forward by the Reform Party is rather contradictory with regard to our red book commitments to Canadians, which the Reform Party has been doing its utmost to oppose and derail without success day after day.

• (1040)

In fact, there is nothing surprising about this, as the Reform Party is not afraid of contradictions. It has even become a kind of expert in this area. In the next few minutes, I will be pleased to list some of our achievements that have been instrumental in restoring Canadians' confidence in their national government.

Since the motion refers to our red book, you will not be surprised, Mr. Speaker, to hear me refer to it throughout my speech in order to evaluate our government's performance. What did the red book say about parliamentary reform? Allow me to quote from page 92 of the red book: "In the House of Commons, a Liberal government will give MPs a greater role in drafting legislation, through House of Commons committees. These committees will also be given greater influence over government expenditures. More free votes will be allowed in the House of Commons, and individual members of Parliament will be involved in an effective pre–budget consultation process".

What did we do in this regard? We introduced two new processes in addition to the one already in place allowing MPs to consider bills, so that members can become directly involved in drafting legislation and enjoy greater autonomy in amending government bills through the committee system.

The first process consists in the government tabling a bill at first reading and then, after a maximum three hour debate followed by a vote if necessary, referring it to a committee before second reading instead of after, and before agreement in principle. This allows the committees to hold extensive hearings and to amend bills without being restricted by the need for an agreement in principle following debate at second reading.

As a result, the committees can propose major amendments to the bills. Our government used this new process four times, including for the lobbyists registration bill. The second process consists in allowing a minister or a member of Parliament to table a motion directing a committee to draft a bill on an issue concerning private members' business. That process was used in the case of Bill C–69, the legislation dealing with the readjustment of electoral boundaries.

The government, through the Standing Committee on Finance, also conducted the largest prebudget consultation ever held in Canada, something which will be done before every budget. Thanks to this consultation exercise, the government was able to not only involve MPs, but all Canadians in the federal budgetary process. Members of Parliament, through the standing committees, now review, on a yearly basis, the government's future spending priorities, in addition to examining the main estimates for the current year.

A number of debates also take place in the House of Commons, during which MPs can freely express their views on major issues, before the government makes a final decision. For example, I can mention the debates on Canada's peacekeepers in the former Yugoslavia, sustainable development, the social program reform, small and medium size businesses, fiscal policy, violence against women, and many other upcoming topics.

Through our committees, we also reviewed the major reforms to Canada's foreign and defence policies, immigration and social programs.

• (1045)

What was the Reform Party's position regarding these parliamentary reforms? The hon. member for Lethbridge actually thanked the government, on behalf of his party, for providing such a wide scale program.

He went even farther. Indeed, he added that the Reform Party was also pleased that the proposals to be submitted to the Standing Committee on Procedure and House Affairs will

deal with a large number of issues which his party feels are important to ensure a reform of the parliamentary process. These comments are not from me; they were made by the Reform member for Lethbridge.

To fully understand the position adopted by the Reform Party during the debate on parliamentary reform, let us take a look at what the leader of that party, the hon. member for Calgary Southwest had to say about our proposals. He said that, generally speaking, these changes seek to allow MPs to play a major role in the development of private members' public bills and the government's fiscal policy, adding that this was a definite improvement. Again, these comments were made by the Reform Party leader.

Members of the Liberal caucus vote freely as regards private members' business. For example, last night, a private member's bill was referred to a committee, after going through second reading in the House.

As for government business, the Reform Party would like to see more free votes. Yet, as the NDP member for Winnipeg Transcona said, in the final analysis, there is not one single member in this House who cannot vote freely and differently than his or her party or leader, any time he or she chooses to do so.

It is therefore surprising to hear the Reform Party—

[*English*]

Mr. Hermanson: If they do not want to lose their positions in committee.

Mr. Gagliano: The Reform Party came to this place to restore decorum and when its members do not like what they hear they heckle. That is the decorum they bring.

Mr. Hermanson: You had better read that to the three members you kicked off the committee.

Mr. Gagliano: Mr. Speaker, I am listening to the House leader of the Reform Party. He does not seem to want to listen to my speech. That is what he calls decorum.

[*Translation*]

It is astonishing that the Reform Party, where block voting by members is the rule in most votes in the House, should demand more free votes and at the same time, as we see in the motion before the House today, demand that we honour our commitments to the electorate as set out in the red book.

If Reform Party members were consistent, they would support our proposals to reform the pension plan for members of Parliament, since they go much further than what we promised in the red book.

What was promised in the red book? We promised to set a minimum age at which pensions will begin to be paid, and I will quote what it says in the red book: "A Liberal government will reform the pension plan of members of Parliament to end "double dipping". That is what it says in the red book.

So what did we do? The President of the Treasury Board tabled a bill in the House that would not only set the minimum eligible age at 55 but would also stop double dipping and, on top of that, cut the government's contribution by 33 per cent, which means a saving of $3.3 million.

We went well beyond our commitments, so what was the Reform Party's contribution? Yesterday, it used the very same strategy it condemned this morning, and did so every five minutes. Every five minutes, Reform Party members asked for a quorum. They stayed behind the curtains before prayers to prevent the House from sitting, since there were not enough members to start the debate. Is that what they want to talk about? In any case, that is their strategy.

They have repeatedly wasted the time of the House by moving an adjournment motion that was unnecessary. If they want to speak, if they want to have a debate, let them use the time of the House by speaking to the subject at hand instead of moving dilatory motions.

• (1050)

That is the new decorum Reform Party members have brought to the House of Commons. They criticized and are still criticizing our position on pension reform for parliamentarians. And what did the whip suggest? Or should I say caucus coordinator, as we used to call them. A 130 per cent increase in members' salaries. This is embarrassing, and it certainly takes a lot of nerve. Trust the Reform Party to make that kind of proposal! Now that is poor judgment, although not surprising, coming from a party that speaks for organizations like the National Citizens' Coalition.

Since we are on the subject of cutting costs, I may recall, through you, Mr. Speaker, that in the red book we promised, and I quote; "A Liberal government will reduce the size and budgets of ministers' offices and the Prime Minister's office by at least $10 million a year". This was done, and it was the first thing the Prime Minister did when he was elected.

We went even further. We proposed cuts in spending by members. In the process, we saved another $6 million annually. This was not even in the red book. Everyone remembers the plan to cut members' expense allowances and benefits. We tightened up the way parliamentary associations operate and the rules for domestic travel by parliamentarians. We also have a plan for reducing the deficit of parliamentary restaurant services, and there are several more examples of cost cutting.

In the red book, we also discussed integrity and openness in government. That is why last June, the Prime Minister proceeded with the appointment of an ethics counsellor. This was accompanied by further clarification and stricter implemen-

tation of the conflict of interest code for public office holders, which for the first time will extend to activities by family members.

We tabled a bill to reinforce the Lobbyists Registration Act, which would include the authority to order disclosure of fees paid to lobbyists to obtain government contracts and banning the inclusion of conditional fees in contracts with the government.

Last week, my colleague, the Leader of the Government in the House of Commons, moved to create a joint committee to work on establishing a code of conduct. After one day of debate, this motion could have been adopted and, today, the committee could already be at work examining the issue. But what prevented his motion from being adopted after that debate? Once again, the Reform Party, and, this morning, it is they who are trying to preach to us about public ethics.

What did the red book say on this issue? I quote: "To enshrine these principles and commitments, we will develop a Code of Conduct for Public Officials to guide Cabinet ministers, members of Parliament, senators, political staff, and public servants in their dealings with lobbyists. We will also take measures to better regulate the activities of lobbyists, particularly in the awarding of government contracts". Once again, to the detriment of the Reformers, we kept our promise.

These days, the Reformers are raising a ruckus regarding two bills: the bill on gun control and Bill C–41, regarding sentencing, especially for hate crimes.

Since the Reformers demand that we meet our red book commitments, why are they against these two bills? This is what their logic boils down to: They accuse us of not meeting our commitments, yet, when we draft bills in order to meet them, they oppose them. Furthermore, they use all of the parliamentary antics in the book to obstruct their passage. These are red book promises.

• (1055)

On page 84 of the red book, it says: "To strengthen gun control, a Liberal government will, among other measures, counter the illegal importation of banned and restricted firearms into Canada and prohibit anyone convicted of an indictable drug–related offence, a stalking offence, or any violent offence from owning or possessing a gun". Once again, we, ourselves, have respected our commitments.

What about what is said in the red book, and I quote: "Every person has a right to personal security, and a Liberal government will move to protect that right. Particular attention must be paid to those who today, by virtue of gender, race, religion, age, or sexual orientation, are more likely to be targets of violent crime". Yet again, they are opposed.

Of course, I could go on for hours listing all the commitments we have already fulfilled after only 18 months in government, but I think we have hit at the heart of the matter right now. Why have Canadians regained confidence in themselves, in the country and in their government? It is very simple. We got down to work, we honoured our commitments and we showed Canadians how things were, without trying to hide the truth for short term political gains.

Unlike the Reform Party, we believe in democratic institutions and in the devotion of members elected to serve their constituents and their country. Although we feel that our institutions must change and improve at some point, we have faith in our democratic institutions, unlike the Reform Party, which never stops denigrating and mocking the work of members.

Furthermore, when the members of the Reform Party arrived in Ottawa, they thought all they had to do was sweet talk Canadians, who would simply allow themselves to be lulled to sleep. Who can forget the dramatic moment staged by the leader of the Reform Party, with great pomp, when he called a news conference in front of the doors of Parliament and handed the car keys to the driver telling him to return them to wherever he got them, as he himself had no need for them. The cynicism, does not stop here, however, because, following this public demonstration of disdain, we discover that the leader of the Reform Party has a car and a driver paid for by the Reform Party through a funding campaign, which, with tax reductions, is still paid for by taxpayers' money, once again by the back door.

I will never forget that the word, during the election campaign, was that practices here had to be changed. The hon. members were going to come and show us how to do things. They were coming here to establish order. Yet, the first thing the leader of the Reform Party did when they got here was complain about the size of his office, he wanted an office bigger than the one allotted to the leader of a third party. He felt that members got a lot for nothing. Suddenly they discovered that the sandwiches in the parliamentary cafeteria cost more than in their ridings. That was the bottom line. Those who want to lecture us today have got it all backwards—it is total hypocrisy.

I could go on, but I see, Mr. Speaker, that my time is running out. In closing, what can I say about the motion by the hon. member of the Reform Party for Kindersley—Lloydminster today?

The Deputy Speaker: Unfortunately, the minister's time is up. The hon. member for Berthier—Montcalm, on questions or comments.

I beg your pardon. I must now give the floor to a member of the Reform Party.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, there were several errors in the member's speech. In fact most of it was a total inaccuracy.

I will very quickly respond to the fact that the leader of the Reform Party refused the car and the chauffeur and still refuses them. His party allowance is not paid by taxpayers. It is the same allowance he received prior to the election. Nothing has changed. It was much more responsible than the fat allowances the Prime Minister receives from his party outside of caucus funds.

• (1100)

The member has been around here a long time and should be more responsible than to make such foolish, ridiculous statements in the House. Some of the comments he made with regard to our leader are degrading to this House.

The hon. member commented on the dilatory motions made yesterday. Yesterday we were debating our own compensation package in the way of MPs pensions. On many occasions there were only two Liberals sitting in the Chamber while Reformers were debating the issue on legislation the Liberals had put forward. I believe it is beneath the dignity of members of Parliament to come to this House to debate and challenge the government on its own legislation and the Liberals do not even have their people here to respond to the debate. They do not care. I think they were embarrassed about the legislation. They were not here to defend it.

We thought it was beneath the dignity of this House to speak to an empty Chamber. We called quorum to try get the members from the government side to come in and hear what we were saying. They continually refused. Eventually we asked that the debate be adjourned on the government orders of the day because they simply were not interested in defending their blatant fat MP pension plan.

I wonder if the minister would deal directly with the facts on this issue rather than these meaningless platitudes that have no relation to what is actually happening in the House.

Mr. Gagliano: Mr. Speaker, it shows that the truth hurts when it is brought forth.

Let me address the question about yesterday. I am surprised. The member is the Reform House leader. He should know exactly where the members are when they are not in the Chamber. There are a number of committees.

Mr. Hermanson: They were hiding back there.

Mr. Gagliano: He is heckling. That is the new decorum. That is what they came here for. They came here for the decorum. Again, the member impugns that I am not telling the truth. That is the new decorum they have brought to the House.

Members who are not in the House are in committee and doing other work. The House leader for Reform should say that when that motion was moved to adjourn the debate yesterday Reform had no more speakers. It was just half an hour before the time allocated for government orders of the day would have ended.

Instead of allowing the normal process for passage of legislation, Reform moved a dilatory motion which took a 30–minute bell. When the vote was finished we moved to other business. It was not to pass the bill. It was to send the bill to committee. They did not want witnesses to come before the committee and express their views. That is how they see parliamentary democracy.

There is something that I did not have time to say in my speech and this gives me the opportunity. It concerns time allocation. Reformers forget that the last time the government moved time allocation it was during the labour strike and it was supported by the Reform Party. They cannot have it both ways. They want to have their cake and eat it too.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, the issue that was raised is a very serious one, but I will expand on it later on. However, the Secretary of State for Parliamentary Affairs mentioned a number of things the government is supposed to have done.

I think you really have to be as bold as brass to make certain statements. I will not consider each and everyone because I would not have enough time, but I must say I was struck by a reference to the so–called new procedure for expanding the role played by members in this House and in committee, and my comments will be based on my own experience.

You referred to Bill C–43, to amend the Lobbyists Registration Act. I was a diligent representative of the Bloc on this committee, so I think I can speak from experience.

It is all very well to introduce new procedures in the House, give the impression that the government is more open and refer the bill, after first reading, to committee so that it can be amended on the basis of information obtained by members in committee, but in practice it does not work out that way. In practice, the minister responsible for this question or the bill comes and tell the committee what to do. In this committee on Bill C–43, the opposition presented 20 amendments to provide more transparency. All 20 were rejected. So what is the difference? The difference is that the minister told us what to do before the hearings began.

• (1105)

Is that the new procedure? Is that what the Liberals are bragging about? I think it takes a lot of nerve to come and say that this morning, and what is worse, say it with a straight face.

I think that if the hon. member bothered to look at what is really happening he would realize that basically nothing has changed. And that is why people are so upset. He said

something very significant to the Reform Party. He said that you cannot change people's impressions with window dressing. And as member of the Bloc Quebecois, I am certainly not the one to tell the hon. member for Saint–Léonard and Secretary of State how to do this. They are past masters at the art of giving the impression they are doing something.

That was only about this particular question, but I could repeat all the examples he gave and prove that he was not talking about the real situation. I wish that in other cases he would reconcile what was done with what they promised in the red book, which said that as part of parliamentary reform, they would expand the role of members in developing legislation, through—

Yes, that is what they did, that is what they gave the impression of doing, but basically, nothing has changed. The minister controls government members in committee, although the membership keeps changing, but in any case, this is an insult to the public's intelligence. I would appreciate the hon. member's comments.

Mr. Gagliano: Mr. Speaker, I will let this pass because I realize that in the past few weeks the Bloc and its head office in Quebec City have changed course so abruptly that people say they are suffering from whiplash, but enough.

My comments will only concern Bill C–43, and I want to thank the hon. member for bringing it up. Obviously, he could not present 20 amendments and expect the government to accept every single opposition amendment. If the hon. member would listen, he would get an answer to his question. We approved two opposition amendments in this bill, the first time this ever happened in the 11 years I have been here. And he tells me it is just window dressing, Mr. Speaker.

As for the rest of what it says in the red book, if he listened carefully to my speech, I explained exactly how we improved and changed the members' role and gave it particular significance since the 1983 election. And I think that as for changing one's position and being able to say something with a straight face, we have a lot to learn from the Bloc because they do it every day.

[*English*]

Mr. Hermanson: Mr. Speaker, I rise on a point of order. Considering the Secretary of State for Parliamentary Affairs is the only member of the cabinet here, could we extend the time for questions and comments for another five minutes?

The Deputy Speaker: The hon. House leader will know that he is not to make comments about the presence or absence of members. All members are bound by that rule.

Is there unanimous consent to permit this period of questions and comments to continue for five minutes?

Some hon. members: Agreed.

The Deputy Speaker: The whip should know that whenever it is possible, the Chair will recognize members from other parties in questions or comments.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, I would like to comment simply on this debate. I am very much in agreement with what my colleague for Berthier—Montcalm had to say about the role of members.

• (1110)

When we are told that members have been given more responsibilities on committees, we must not lose sight of the fact that committees are led by the majority and are simply advisory. On the Standing Committee on National Defence and Veterans Affairs, of which I am a member, we made motions at one point for the very purpose of transparency. We simply proposed that, in the future, the provinces be consulted about appointments to the board. The motion was defeated by government members.

There was talk earlier of free votes. However, recently again, during the debate on gun control at second reading, the two or three Liberals who dared to vote against were expelled from their committee. So, I would like to know what will happen to these members if they vote against their government again, at third reading?

Mr. Gagliano: Mr. Speaker, as regards the hon. member's first question, his complaint that the committee comprises a majority of government members, he should know, after 18 months, that the committees reflect the make–up of the House. Accordingly, since the government has a majority of seats in the House, it has a majority on the committees.

The member said that committees have an advisory role. On the contrary, committees almost always have amendments to the bills the House sends them. After consideration, these bills return to the House with a number of amendments. I have just answered his colleague on the particular matter of a bill he spoke to me about, and which we even accepted. Not only did we agree to amendments by government members, but we agreed to amendments by opposition members.

Therefore, I think that parliamentary reform is not only on paper, but in the day to day work we do. There are members' bills that have received royal assent and become law. So I think we are clearly making an effort. We have been in government for only 18 months and we have implemented many of our parliamentary reforms. Other reforms are required and a committee of the House is looking into procedure and House affairs.

All of the parties are represented on it, and if the hon. member has some suggestions to make, let him make them instead of simply criticizing.

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I we are supposed to be debating the government's promise to be more open, to have more open government, and to allow MPs to be more accountable to their constituents. Is it not sad that we have to use the word allow?

What we have from the hon. minister are simply diversionary tactics. We have a real attempt to divert attention from the real issue which Canadians are concerned about. The biggest diversionary tactic is to attack the messenger, to say things about the Reform Party which dared to bring the subject up. They are the most pejorative and outright fabrications to distort our position on a number of issues and suggest that we have no reason to even bring up the issue in the House.

I appeal to the minister to at least stick to the facts when he is talking about these kinds of issues. Some of the things which he said about our party and about our positions are just not true. Canadians are going to find out one of these days that this is a tactic of this government and it will lose its credibility altogether.

We heard from the minister a highly edited version of the Liberal record. We disagreed with a lot of the promises which the Liberals made. If we agreed with them we would not be here, we would all be on the other side. During the election these people took certain positions and promised to do certain things. They have totally reversed themselves. They are totally untrustworthy in a whole number of areas.

• (1115)

I want to ask the member about the document he authored and signed reviving parliamentary democracy. This document was so good, it would put in so many measures that would have been to the benefit of Canadians, to the democratic system that we are trying to operate under.

The member holds a senior position in the government. He is one of the decision makers. He said that in order to enhance the independence of the Chair and in an effort to reduce the level of partisanship when the speakers are from the government party, two of the junior chair officers should be from the opposition so that the four presiding officer positions are shared equally by government and opposition. I would like to ask the minister to explain why he has not implemented his own recommendation in that regard.

Mr. Gagliano: Mr. Speaker, I am surprised with the member's statement.

Reform Party members come to the House and accuse the government of not keeping its promises, of turning face and everything.

When we try to respond and if they do not like the response, it is a question of debate. Naturally as members of the Reform or any other members in the House, they can point to the government for what they do not like. We also we have a right as government members to point out what they said during the election.

In case there are any specific things that I said that are not true, that the Reform Party did not do, whatever I said is on the public record. Those she can point out to me in specific terms.

Concerning the document that I co–authored with the hon. member for Kingston and the Islands and two other members, if she had listened to my speech, she would have heard me say that most of the reforms we made came from that document.

In only 18 months, 90 per cent of the commitments in that document have been kept. A term of government is four or five years. Maybe the member should place some hope in this institution. Maybe she could wait and in due time see the other 10 per cent of that document.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I am certain that my colleagues opposite are very happy to see me rise to speak on this motion. But, to understand the turn of events today, I think that we have to clearly define what we mean by all this, so I am going to refer to the motion of the third party in this House.

The motion is the following:

> That this House condemn the government for its failure to keep its Red Book promise to make the government more open and permitting Members of Parliament to be more accountable to their constituents.

So, there are two parts to this motion. The second is to permit Members of Parliament to be more accountable to their constituents. I will now say a few words on the subject.

Accountability depends on each Member of Parliament. We have enough means these days to write to our constituents, to let them know the government's positions and to transmit information. We all have the necessary tools. I think that, as the representatives of a riding, we could do a better job of informing our electorate of the work we are doing.

I can say, for my part anyway, that I write to my constituents regularly to keep them up to date on the decisions made by the Bloc Quebecois or to comment on, among other things, decisions made by the government. We already have the means to do this. There is no need, regarding this point, to heap more blame on the government.

However, regarding the first point, which condemns the government for not having kept its famous red book promise to make the administration more transparent, we would like to say the following: The Liberals are crafty. They saw, during their nine years in opposition, that integrity struck a chord with the public. Therefore, they brought certain campaign promises contained in the red book to the public's attention. Fortunately they are written down, because words fade away but written statements endure—we can still read them today.

• (1120)

Indeed, the famous red book did contain a nice, little chapter, entitled "Governing with Integrity". I would like to say that I am fortunate to be speaking after the secretary of state. I can see what he thinks was done to restore integrity in government, because, otherwise, I would not have known what to say on that topic in my speech. What the government just said is incomplete, almost exaggerated. They did not tell the whole truth.

As I was saying, they greatly stressed integrity during the election campaign. I think that they put their finger on the problem, they saw that people want their parliamentarians to be more accountable, that they want Parliament to be more transparent, so that they can know what is going on here.

After 19 months—because they have already been in office that long—I would like to summarize their administration's actions. And you will see that there is a clear difference between what they think they have achieved and what we think they have achieved. It is funny how outlooks change, depending on whether one is seated to the left or the right of the Chair. That is the truth, sad, but true.

The secretary of state for parliamentary affairs stressed one point because, it would seem that it is a revelation of the government, the discovery of the century: the famous ethics counsellor. That is just peachy. How much more open can you get? An ethics counsellor appointed by the Prime Minister, an ethics counsellor who will investigate matters involving ministers behind closed doors, which directly contradicts what the red book said about ensuring openness. An ethics counsellor who will only comment on the conclusions of his investigation. This is openness? This is how this government plans to restore confidence and ensure openness? What a crock!

They also wanted people to think more highly of the role of MPs. As I commented on this earlier, I will not spend any more time on this but the fact remains that it is an utter failure. Nothing has changed. The minister is still the boss, telling Liberal committee chairs what to do. The more things change, the more they stay the same.

They also say that there will eventually be a code of conduct for MPs, ministers, senior officials, etc. If one can tell the future by looking at the past, we can expect more of the same. We will continue to hear nice promises, wishful thinking and rose–coloured rhetoric. In the end, the objective of openness will not be achieved.

Another even more subtle approach of this government is to table bills in which the powers are increasingly centralized at the minister's level. More and more, the minister must be the absolute master in his department. More and more—but quietly so that the public is kept in the dark—, they are changing the rules of the game through complicated laws and regulations, but it is the minister who will have the final say. It is the minister who will make the appointments and allocate the funds. What openness! In my opinion, this opens the door to patronage, to political appointments.

Speaking of political appointments, what has this Liberal government done in the last 18 months to change the situation that existed under the Tories? Absolutely nothing.

I remember that, in 1984, the Tories defeated the Liberals because of a rash of appointments. During the famous leaders' debate, John Turner looked rather foolish indeed. Yet, the Tories did exactly the same thing for nine years. Today, after the 1993 election, what are the Liberals doing? Exactly the same thing as the Tories did and the Liberals had done before them. The more things change, the more they stay the same. "Partisan appointments, partisan appointments, partisan appointments" has replaced "jobs, jobs, jobs". This contradicts the red book but do the Liberals care?

• (1125)

As we have seen, the news is full of similar situations in which members of the Liberal "family" have received preferential treatment. That is Liberal openness for you. Let me give you a few examples of political appointments. I am not saying that none of these people is qualified, but when we see that everyone appointed by this openness–seeking government is a Liberal, we may well ask ourselves if only Liberals are considered as qualified. Perhaps according to the hon. members across the way, but I do not think so.

Here are a few examples: Jean–Robert Gauthier, a former Liberal MP, was appointed to the Senate; John Bryden was also appointed to the Senate, and what did this gentleman use to do? He was one of Mr. Chrétien's campaign organizers in the leadership race, another good Liberal. Robert Nixon, Liberal Party president also on the Chrétien campaign team. He was appointed to a department. Here is another one: Michel Robert, past president of the Liberal Party of Canada. We know he was acting president of the SIRC, dealing with the Canadian Security Intelligence Service. As we all know, as a sideline he was involved in negotiations with aboriginal people. He has apparently billed the government approximately $300,000 for his services so far and, today, we learn that he was appointed appellate judge. He is no doubt qualified, but

he has one quality in common with the others: he is a Liberal. Another well–known Liberal according to the press, Pierre Dalphond, was also appointed judge.

There is a whole list of individuals who ran in the 1993 campaign who were appointed to various positions. Is that the way to ensure transparency? Is that it, when, every time we dig somewhere, we find party ties? When a government claims to seek openness and to enhance politicians' credibility, should its ultimate goal be to appoint "chums"?

Just in case we do not get reelected, we better treat our friends now, while we are riding the gravy train. Is that the way to restore the confidence of Canadian and Quebec taxpayers? I think not. We are aware of very recent cases. Liberals, Conservatives, it is all the same damn thing. Oops, my apologies, that word is unparliamentary. It is all one and the same. The Liberals are doing the exact same thing as the Conservatives did.

Take the Pearson deal. I can understand that the Liberals who are listening would be embarrassed. In the Pearson deal, as we found out, there were as many Liberal lobbyists as Conservative lobbyists. No wonder that the Liberals do not want to raise too much dust around this issue. Then there was the Dupuy matter. It had several stages, but I will focus on the first two. The first one was the minister's interference in CRTC business, and the second, his little trip on the sly to Los Angeles. Upon looking into it more closely, one realizes that this may be a family thing, that the Prime Minister's son–in–law may be involved, that subsidiaries were involved, and so on.

In the Power Direct TV deal, direct ties can be made to the Liberal clique. One could even say the Liberal "famiglia" in this case, where an order was made specifically to benefit a company run by the Prime Minister's son–in–law. It takes some doing. Billions of dollars are involved. Is that what this government means by openness?

Here is another example: the bovine somatotropin issue. The Minister of Health is implicated in this and she never knows what is going on in her own department. Mr. Ritter, an official of this department took a leave of absence to lobby his colleagues and have the BST approved.

This does not strike the minister as odd. She sees nothing wrong with this. This must be what Liberals call openness. She must be right, so there is no problem. No problem.

• (1130)

We can never get the facts about the tainted blood scandal. We have been asking questions for months regarding this issue. Canadians and Quebecers are dying because blood supplies were not properly handled. These are very important issues. We ask questions, but we do not get answers. We are told: "Do not worry; a commissioner will make a decision and then we will take action". In the meantime, people are dying. Is this what we call transparency, Mr. Speaker? Is that what this government had to offer to Canadians and Quebecers? I do not think so.

Earlier, the secretary of state alluded to the CN strike. We spent a whole weekend saying that the minister was using strong–arm tactics on workers to eventually be able to privatize CN. We were told: "No, no. You are wrong. The government is not trying to break the union". Fine. But then, what do we learn a few weeks later? We learn that the government wants to privatize CN. We learn that it wants to sell part of Canada's heritage, because CN is truly a part of our heritage. Yet, we were told that we were mistaken. This is probably what the government calls transparency.

I will give one last example, but there are many more. The Charles R. Bronfman Foundation. We just learned, thanks to the Access to Information Act, that this great foundation, which extols the virtues of Canada by promoting Canadian heritage in its "heritage minutes" on TV, and which received a $200,000 government subsidy for the year 1992–93, will get $2 million this year. If you look a little more closely, you discover that one party involved is a person by the name of Tom Axworthy. That person must be a good lobbyist to get a tenfold, or 1,000 per cent, increase in the government subsidy. This is either a good lobbyist, or else the brother of the Minister of Human Resources Development. We checked and discovered that it is the latter.

When people look at all this, they realize that things have not changed. This is why we want transparency. We want to improve the credibility of MPs and their work. All the parties should set aside their political differences and work together to come up with a good bill. This is what the Bloc tried to do on several occasions. However, the amendments we proposed were always rejected by the government. Are we always in the wrong? I think not. We too hear from our constituents. Then, why is that happening? Simply because this government is no better than the previous one. It is only somewhat more discreet. It uses a thicker smoke screen than the Conservatives did. However, if you dig a little, you see exactly the same things.

I will close by saying that I think the Liberal Party should take a hard look at the transparency of its administration. It should really reread its elections promises and its famous red book and look at what it has actually done. I think it will draw useful conclusions that will enable it to take better aim, because it needs to take better aim.

In conclusion, therefore, if I had to decide or vote on this motion, I would be for the first part and against the second.

Finally, with a message for government perhaps as well—I almost forgot this point—I wanted to say that we in the Bloc Quebecois, the official opposition, wanted to introduce a bill here to increase transparency with regard to the funding of political parties, and it would have been given the same unanimous support across Canada it is now being given in Quebec. I think Parliament must acquire such a tool to provide for transparency in its administration. You know, each year, when we look at the list of individuals contributing to one or other political party, we realize that there are

individuals and companies—at the federal level, companies may make contributions—making contributions of $15,000 or $25,000. Immediately, the question comes to mind: "What do they want in return?"

• (1135)

I think that, if we had legislation governing party funding, a law on the public funding of parties, we would avoid governments having their hands and feet tied once they are elected. We would thus limit contributions, as in Quebec, to $5,000 and we would limit contributions only to voters, constituents. We would avoid having companies taking power and control, as is the case currently with the Liberal Party, whose head office is Power Corporation. We just have to look at the legislation being passed here to see that everything is done in terms of this company. This would really prevent the kind of business currently going on.

This is what we introduced. The government often tells us that the opposition is always criticizing, but never comes up with anything. We presented a bill from the Bloc Quebecois, from the member for Richelieu. What did the Liberals do? They voted against it—go figure—even though it was directly related to a very large part of the red book on the subject of integrity. We were giving them the opportunity to achieve something they were not achieving, something they were sidestepping. But, no, they voted against it.

All this is to say that nothing has changed since the Conservatives left. The same thing is going on. I think the secretary of state is deceiving us when he says that voters' confidence has increased. Quite sincerely, I think that the Liberal Party and each of its members here in this House have broken a large number of their election promises. Quite sincerely, I think that these Liberals have betrayed the confidence of this House in this regard and I find it most regrettable.

[*English*]

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I have listened with strong interest to the debate of the official opposition and the third party. A number of good points were brought forward by them. A lot of them were idealistic in nature.

I will deal first with the last speaker. Certainly the party that wins on a platform and presents to the public a platform which is general in nature sets a direction. Like everything else in the world directions are not always achieved. Some are beyond the capability of government. Some reassess and set other priorities in their place. The world is always changing; that is the only constant we know.

It is disappointing when some things are not done which we want to see done. Governments of all types are not perfect. At the same time there is an intrinsic nature on the part of the government to try to do the best it can for the country. It is difficult. I have wrestled with it myself as a member. When do we represent our constituents and when do we really know that we are representing our constituents?

I held six town hall meetings every six months in my riding. I get turnouts of 70 to 500 people. However I do not get a consistent message at each one of the meetings. I believe the only time we would ever get some reality is if we had a little buzzer in every home to vote for or against. Then we would truly know how the constituents felt.

We can understand at some stage the reality of the situation. We can understand at some stage the reality that there are large lobby groups and there are small lobby groups. This is the reality we face. Those of us who are new come in with a tabula rasa. We feel we can make great changes. It is like trying to turn the *Queen Mary* with a 10–horsepower motor boat. It is very difficult to change the inertia because the country is so complex and the machinery of government is so massive.

• (1140)

We try to bring back what we hear through our caucuses. The reality is we are not always hearing the same thing in every riding across Canada. It disturbs me to hear the senior member of the Bloc Quebecois lecture the government on appointments. We have just seen perhaps the most wholesale changing, kicking out, firing and replacement of people in the history of government in Quebec when the Parti Quebecois took over.

We can speak with credibility if we have an example, but if we do not have an example we have to apologize in some cases for errors made in government. There will be many errors in years to come, but we cannot stop trying to make it better. We cannot stop trying to pick up on the good ideas presented in the House and putting them into action.

I believe sincerely that we should try our best. Adjustments are always made to a platform. There has never been a government elected that could live by every nail in its platform. Sometimes some of the planks have to be taken out of the platform and be repriorized.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, first off, I would like to say to my colleague that we are members of the Bloc Quebecois, not the Parti Quebecois as he incorrectly said. There is a difference. Second, just because other parties make mistakes does not mean that the government should repeat

them. I think that goes without saying. We must improve the situation, and sometimes that requires drawing up a balance sheet.

I do not want to compare one government to another. I am a member of the Bloc Quebecois, a federal party, and my role is to criticize what the federal government, the Liberal government does. I can understand, however, certain points made by the Liberal member. It is true that promises can be made in the heat of an election campaign which a government will realize, once it gets into office, that it cannot fulfil because certain things have changed in the meanwhile.

Therefore, why not simply say, in all honesty: "We are sorry, we cannot attain the goal we set regarding parliamentary reform, for x number of reasons"? And not do what the Liberals are currently doing: Clinging desperately to the goal they set in the red book, inventing a story to give people the impression that they have done something. This lacks integrity and perpetuates the lack of transparency in this House.

As I was saying earlier, the Liberals reign supreme in the art of making it look like they are doing something, while, in reality, they are doing absolutely nothing. I have said it once and will say it again, there is room for improvement in the area of transparency and also in the area of listening to the opposition, because we are right on several issues.

[*English*]

Mr. Mills (Red Deer): Mr. Speaker, I seek unanimous consent to delete Standing Order 78 from the Standing Orders.

The Deputy Speaker: I am only hesitating because I am not sure we can do that. I am told we can do anything by unanimous consent but let me consult.

The member is correct that by unanimous consent the House can do anything. The House can delete a standing order. Is there unanimous consent to delete the standing order mentioned by the hon. member for Red Deer?

An hon. member: No.

• (1145)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the point has been made regarding this issue. We are hearing today the involvement in the House, the frustration of being in this place and trying to present an honest point of view from constituents; the total frustration I am sure the backbench on the government side and the opposition side have with representing what people stand for and what they tell us when no one is listening. That is what the electorate feels as well.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, virtue is undeniably a great thing. I agree with my hon. colleague to some extent. I agree that the government should listen more carefully to the representations made by members of this House on major issues, such as the ones the secretary of state listed as part of the so–called positive record of the government for the first 18 or 19 months of its mandate.

We agreed in principle with certain bills introduced by the Liberals. It is just that we wanted to improve them. It is most unfortunate that the government did not listen more closely to the representations and remarks made by the hon. member.

[*English*]

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, a former member of the House of Commons, Dr. Lorne Greenaway, had great respect in his constituency of Cariboo—Chilcotin. He ran into some difficulties with his party and out of conscience resigned his seat.

Subsequently he was appointed to the B.C. treaty commission. With his understanding of aboriginal issues and his concern for just settlements for all, he performed outstanding service in that capacity as one of the original commissioners of the B.C. treaty commission.

I am sorry to say Dr. Greenaway was fired. This is the darker side of patronage appointments. Dr. Greenaway was fired so there would be room for someone else. I make no comment about the person who took his place. However, a valuable member who had great respect in the community has been set aside so patronage appointments can be made in his place.

I regret this has happened. This is an indication to me and to many of my constituents and the people of British Columbia of the tone of government the Liberals are setting. We are deeply dismayed by this.

I ask the hon. member if he can recall incidents such as this, the darker side of patronage, from his experience in Quebec.

[*Translation*]

Mr. Bellehumeur: Mr. Speaker, I think that this was more a comment than a question. The hon. member stated facts of which I had no knowledge. I am therefore unable to reply to his comment.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure today to speak on our Reform motion.

Today we are speaking about the failure of the government to keep its red book promises. When we were elected in October 1993 the much touted red book was supposed to be a

new tone for the people of the country, a new tone for the people in Parliament to work with. It was supposed to be a tone full of honesty that would engender public trust, that would bring more effectiveness to the House. What we have seen is a book not of hope, not of promises kept, but a book of promises that have been broken.

That is an insult to the House. It is an insult to democratic principles. Most of all it is an insult to the people of the country.

I will give some examples and then move on to constructive solutions. When I and many of my colleagues in the House were elected a year and a half ago there was great hope. With 205 new members there was great hope there would be a different mindset of doing things in the House. As individuals we would be more effective in representing the wishes of our constituents and bringing our expertise to the House, more effective in presenting our ideas and more effective in bringing members of the public who have expertise to the House to present the most constructive solutions for Canada.

• (1150)

Unfortunately we have fallen back into the same quagmire of business as usual—what a shame.

In the House there is great hope and potential. Many members of the House possess great skills, particularly the backbenchers. In the backbenches of the Liberal caucus there are great skills which are not being tapped deliberately because of business as usual.

When we came to the House the Prime Minister said he would give greater power to the members of the House to better represent the people of the country. Again, we see business as usual.

Instead of committees acting independently and having more power, in many cases they are merely an arm of the government, an arm of the insidious movement of order in council.

We in the House know but the people may not recognize the power structures in the country are extremely pyramidal, with power centred in the hands of perhaps a dozen individuals in the House while the rest, by and large, are under the control of the government.

We in opposition try to act in a different way to bring forth constructive solutions. However, time and again we are merely shut down, not on the basis of merit, but on the basis of politics. This does a great deal of disservice to members of the House.

I will raise one specific example which is close to my heart and one which I feel is a great shame. It is the example of the health committee, which deals with one of the most important aspects in the country, the health and welfare of Canadians. There are good people from all parties on the committee. Unfortunately the committee is merely a functioning arm under the policies of the government, rather than dealing with the big problems that affect the health of Canadians or being able to have the power to function and manoeuvre to address the problems in a construction fashion.

All one needs to do is look at the nature of what the committee is studying to find out it is not addressing the big problems. That not only applies to the health committee but to other committees also.

I implore the government to give members of the committee the power to use their expertise, to mine the talents in the country and use them to bring forth the most constructive solutions and address the biggest problems of the country today. Unfortunately that is not happening because we are dealing with politics and not with problems.

Another example is order in council decisions by very few. People are advanced to positions not on the basis of merit but on the basis of who they know in many cases; not in all cases, but in many cases. This does a great disservice to the people of the country who could do great things.

I go back to one aspect of the function of the government. When there is a problem in the House, what do we do? We do not deal with the problem. We deal with what I call studyitis, a disease pervasive not only in Parliament but also in other parliaments and governments of the world. It is an infectious disease that has infected most members of Parliament. That is very sad.

When there is a big problem affecting us, do we bring forth the most relevant studies and the most relevant and effective solutions to the problem to show a real life example? No, of course not. We study it. Why do we study it? It creates the illusion we as elected members of Parliament are working on it. We give the illusion we are actually trying to address a problem. In effect, we are telling the Canadian people we are trying to offset the problem and decision making processes.

As a qualifier, I am not saying we do not have to study things. Please, when things have been studied eight, nine and ten times, and when we literally have rooms full of studies on the same subject, why are we studying it again?

• (1155)

This was most graphically illustrated in the health committee when an individual from the Inuit Tapirisat society came before us when we were deciding whether to study aboriginal health. She was a very eloquent lady who was representing Inuit people. She came before us with a handful of documents, put them on the table and said: "If you want to study aboriginal health and you want to come and see us, don't bother. Go home. This is but a small example of studies that have been done on us. We don't want studies. We want action".

That brought to mind something we do over and over again not only in health care but in so many other committees. What a waste of the taxpayers' money and what a disservice to the health problems that affect Canadians and that Canadians want action on, not two years from now, but now. The

solutions are out there. Let us enact them, work toward them and see how they work. If they do not work properly we should modify them to ensure they do work properly.

Trying to represent our constituents' wishes is something we were supposed to do as a democratic society and something the Prime Minister said he would enable us to do to a greater extent.

On Bill C–68 three courageous individuals from the government stood by what their constituents said. Their constituents overwhelmingly told them to oppose the bill, which we as party oppose for very good reasons. Those individuals stood up and opposed it on second reading and within 24 hours were removed from their committees. Why? It was a penalty for not kowtowing to what the party wanted to do. Is that democracy? Is that representing our constituents? I think not.

Another aspect that affects my riding in particular is the west coast fisheries disaster. The government was supposed to do something for fisheries all over the country, from the east coast to the west coast. Unfortunately the west coast fishery is being ignored.

As a precautionary measure I take this opportunity to tell the minister of fisheries that the poachers who poached last year, the poachers who almost caused the collapse of the west coast fishery, we came within 12 hours of collapse, are already to go ahead and do the same thing again. I know from the people in the trenches the west coast fishery poachers are getting prepared now to trash our west coast fishery. Please pay heed to that and deal with it now. The DFO office in Sooke, which represents a huge area, is being closed. The hatchery that releases 750,000 fry and is staffed with one person and numerous volunteers is also being closed.

DFO officers with west coast expertise in undercover operations are being moved to the middle of British Columbia. Why? I warn the government to pay heed to this because this is not very professional.

Another aspect is the ethics counsellor. This is an excellent idea but we cannot have an ethics counsellor appointed by the Prime Minister, answerable to an MP from the government and again answerable to the Prime Minister. The ethics counsellor must have the ability to operate independently, answer to an independent group and also to have independent powers to enact what their mandate is supposed to be.

Closure is another aspect which defies democracy. We should not have that in the House whatsoever.

We cannot continue what we are doing in Parliament. We must ensure Canadians have confidence in Parliament. We must allow members of Parliament to do what they were meant to, to represent their constituents' wishes in an effective fashion. I ask the Prime Minister to allow us to do this. He must stop the top down control and bring the expertise of his party to bear down on the huge problems that affect society and the Canadian people so we can have effective, fiscally sustainable, sound and responsible policies for the people of the country which they so dearly need.

• (1200)

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, opposition days such as this give us an opportunity to list some of the promises that have been broken from the now dead book.

The foundation of this book was set up because canadians demanded a change. They demanded that the status quo must change. Therefore the principles of parliamentary reform, open government and accountability of MPs were something that all of us knew about prior to the election.

As a platform for a political party, all of these principles seemed extremely noble and certainly worthy of public support. As a result, a great many Canadians voted for the Liberals in the last election. As much as anything, it was a revolt against the PC party. Canadians thought they were to get a fresh new government built on the principles stated in this dead book.

A year and a half later, they are discovering that the many fine words are not being carried out. Instead they hear old line rhetoric, controlled by spin doctors and pumped out to react to everything.

How does the House work? A lot of people ask that as we tour around our constituencies. Unfortunately I have to tell them it does not work very democratically. Decisions are made primarily by cabinet and that cabinet has a whole set of criteria that it uses. For the most part cabinet members do not listen to the people.

I am often asked what backbenchers do. I tell them that backbenchers are kept in line by the party whip. They are also kept in line by travel, by perks, by keeping busy on committees, by doing reports which no one looks at.

What about the opposition? What does the opposition do? The opposition speaks in the House. Its members try to put forward the concerns of Canadians. However a lot of frustration is associated with that because no one is here to listen. The government is not concerned. Therefore I question the very democracy of this place.

Canadians demand a change. They demand free votes. They demand that members be here and listen, respond and carry their wishes to the government. They are sick and tired of spin doctors, of party hacks that control everything that happens in this place.

The Liberal red book has been exposed for what it really is. The hypocrisy of its broken promises are becoming clearer and clearer to all Canadians. As just one example, whatever happened to the GST?

Nothing happened to the GST, a clear broken promise from the red book. Even worse, the Deputy Prime Minister put her own good word on the line and said that she would resign if the GST was not gone by 1995. It never happened. Why did it not happen? Because the Deputy Prime Minister was unwilling to live up to her word and her stated principles, a perfect example of the Liberal dead book.

Let us move on to some other broken promises. How about the one that a Liberal government would not be like the Mulroney Tories? We know what Canadians thought of the PCs. Canadians were promised that invoking closure on bills and enforcing strict discipline on their MPs were the characteristics of the hated Mulroney regime but now the truth is clear.

The Liberal Party is not really opposed to these tactics. Its members were only playing the game. They have embraced these tactics and use them with random abuse, with no consideration at all for the Canadian public.

• (1205)

Even though a large number of its backbenchers could not agree with Bill C–68, the Liberal Party used closure to force it through second reading. It mercilessly imposed party discipline on those members of the Liberal caucus who dared to vote the will of their constituents. They listened to their constituents and were handled just the way the PCs would have handled it. The truth is out. The promises in the red book can be looked on as a fraud. I will present to the House even more evidence of that.

I had a private member's motion on which I worked very hard. It was to allow Parliament to be scrutinized by the Access to Information Act. When I first began my efforts I was convinced that I could get all party support for it. After all, greater open government was the official policy of all parties. The red book boldly stated that a Liberal government would take a series of initiatives to restore confidence in the institutions of government. Open government would be the watchword of the Liberal program.

My Motion No. 304 was the perfect opportunity for Liberals to put their money where their mouths were. If they did not vote for the motion to extend the Access to Information Act to Parliament then all Canadians would know that the Liberal commitment to open and transparent government was a sham.

To allay any concerns which Liberal members might have, I sent each and every one of them a notice that addressed the specific objections they raised during the hours of debate. The information commissioner, Mr. John Grace, was perfectly willing to reassure any member of Parliament who wondered about the impact of the motion.

In the days leading up to the vote I spoke to many Liberals who indicated they supported my motion. They said it was just what Parliament needed. However, on the day of the vote not one single solitary Liberal, clinging by his or her fingernails to the shattered promises of the red book, voted in favour of open government. The order had come down from on high: "You can talk about open government all you want, but you will never vote for it. You will be in big trouble if you do". It was a sad betrayal of the Canadian people. Everyone should remember that it happened. They will at the next election.

What happened the day the Liberal majority voted down M–304 prevented more open government. It is an example of how this place does not work and how it is not democratic. What speaks volumes is the voting record of that day. The motion was supported by all Reform members and by all BQ members. The BQ members were being harassed by government members to try to change their minds. The NDP and the Tories voted for it. Even the one Liberal independent member voted for it. However, absolutely no one on the government side voted for open government.

What is happening back home? Back home a lot of communication is going on in all 295 of the ridings across the country. Town hall meetings and all kinds of get togethers are being held. All citizens who are concerned about taxes, gun control and all the other problems are getting together.

The reports are filtering back to those members who are listening. The message is as clear as it was before the last election: "You take our message to Ottawa. Don't bring the message from Ottawa back to us and tell us how good it is for us. Don't tell us that the party tells you is good for us. We will tell you what is good for the party". That is the message but it is not getting across in this place.

I have a perfect example in my constituency. Six thousand people got together one day and said: "Do not dare vote for the GST. Do not dare pass that kind of legislation. We are telling that it is bad. You are telling us that the party says it is good, but we are telling you it is bad". I would take the results of the last election as a pretty good example of that message. The message was loud and clear. The message will be loud and clear again if the government fails to listen to the people.

• (1210)

We have other examples such as the Charlottetown accord. Members from all parties in the House said: "We support it". But the people said: "No, it is bad for us".

Consider gun control. Throughout the whole country people are talking to their members of Parliament about gun control but this place has put a finger down, telling them not to represent their constituents.

What about MP pensions, about which 85 per cent of Canadians say: "Get rid of the gold plated pension". What are the people in the House doing? They are saying: "They really don't know what's good for them. We know what's good for them. We know the compensation package must include this gold plated pension".

The people of Canada will speak. They will make it loud and clear. That is what is wrong with the red book. The red book speaks of all of these things but does not mean any of them. It is a total hoax perpetrated on the people of Canada. The message is clear and getting clearer.

It is obvious Canadians are demanding an openness, a transparency, an accountability for government. They are being ignored. The Liberal members of the House have no excuse. They ran on the promises of the red book and those promises are being systematically broken. The red book is truly a dead book.

[*Translation*]

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, there are a few comments I would like to make, and I would also like to say, as did the hon. member for the Reform Party, that I too was disappointed in the so–called transparency of the Liberals.

Elected in the riding of Beauharnois—Salaberry, when I came to Ottawa I innocently asked to be a member of the Standing Committee on National Defence. Why? Because when the Liberals were the official opposition, the present Prime Minister said, among other things, that defence conversion was the way of the future and that, once he was in power, he would make every effort to provide additional funding for defence conversion.

I asked to be a member of the defence committee, because the committee was responsible for dealing with this matter and exploring new approaches to defence conversion. In my own riding I have Expro, a company that is still waiting for federal assistance for defence conversion, but none is forthcoming.

The first thing that happened is that one morning, we arrived in the House and the government tabled an emergency motion proposing that the defence committee consist not only of members of the House of Commons but also of senators. This took us by surprise. We discussed it in the House, a vote was taken and subsequently, both elected members and senators were appointed to the committee.

During the first few committee sessions with elected members and senators, I realized that the senators wanted to be on this committee because they wanted to travel. During the first few days the committee was in session, each senator suggested we go to Oslo because this year the NATO conference would be held in Oslo. Canada being a member of NATO, they felt they should attend this conference in Oslo.

Someone else said we had to go to Brussels. Why Brussels? Because NATO headquarters is in Brussels. Canada being a member of NATO, we had to go and visit NATO headquarters in Brussels. Someone else said we had to go to New York because the UN headquarters is in New York and Canada is a member of the UN. Someone else claimed we had to go to Zagreb in Yugoslavia, because Canada has peacekeepers in Yugoslavia.

I was flabbergasted to see every single senator rise with suggestions for a trip. I wondered what I was doing there with my plans to talk about defence conversion for Expro in Beauharnois—Salaberry.

• (1215)

I realized that basically, these people wanted to travel. The budget for all these trips would be more than one million dollars. There was a complaint in committee that this was truly excessive. Finally, they agreed to a budget for $800,000. They left, these worthy senators, accompanied by physicians, nurses and secretaries to take notes for the marvellous report they would make on these trips, a report that was probably shelved as soon as they got back. Now that is transparency—I think the public should know—that is today's Liberal government.

They tell us they work on these committees but, basically, they go off on some lovely trips at taxpayers expense. I refused to go on any of these trips because I thought it was outrageous. That is part of what today's motion is all about. When we talk about transparency, I think the public ought to know that. I am very much disappointed because of all this.

[*English*]

Mr. Mills (Red Deer): Mr. Speaker, I have to agree totally with the member's comments. He brought out two key points. The key points are that when these joint committees are set up that is a major problem. We did exactly the same thing in foreign affairs. We put forward a motion to keep people from that other place out. It was supported by the Bloc and of course it was defeated by the Liberals.

We must remember, as the member pointed out, that the biggest carrot in this place to keep the backbenchers of the Liberal Party happy is travel. That is the biggest carrot there is. They would rise up against that dictatorial control if in fact they could not be given something. Often that travel is given as a reward.

I agree totally with the member. He is right on the money. The Canadian people should realize that.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I am pleased to have the opportunity to participate in this opposition day motion on ethics in government.

One has to wonder about the timing of this motion. This motion on ethics comes from a party that yesterday spent the whole time of the House with delaying tactics in a most unethical manner. Surely something must be said about that.

How about the political party that ran out of speakers and then proposed the adjournment of the debate in order to cause a half–hour bell in order not to have a vote? Could it be that those ethical people were afraid of not winning that vote at that particular time and they did not want to proceed with the vote? What about the ethics of that?

We are speaking of ethics. Earlier today we had an hon. member state in this House that the government had fired Dr. Lorne Greenaway of Williams Lake, British Columbia, who was sitting on the British Columbia Treaty Commission. I tried to obtain from the hon. member more details about this particular person. When I did not get more details I sent for a copy of the order in council appointments. I found out that Dr. Lorne Greenaway's appointment—a former Conservative MP, and a fine gentleman, by the way—expired on April 13. He was not fired. It expired. I have it on page 131.01 of the order in council book, which I have in my hand.

What about the ethics of members making statements like that, which are diametrically opposed to the facts? Can I put it kindly? What kinds of ethics are those? That is playing fast and loose with things that should be true.

This is on a day on which we are supposed to be debating ethics. Are we going to get an apology later for having made that kind of a statement in the House? Fat chance. Fat chance from those ethical people across the way.

Those are the same ethical people who were elected pretending to the people of Canada that MPs were overpaid and they were going to come here to Ottawa and straighten it out. They were going to eat in the cafeteria because they did not want to eat in the parliamentary restaurant. Then of course it became obvious to most of us that the cafeteria lost more money than the restaurant, which kind of destroyed that argument for the hon. members in question.

• (1220)

Then they said that they wanted to get rid of the limousine. They spent government time, taxpayers' dollars, having their limousine prepared. It was all made shiny, brought here in the front, and a driver was hired to do it. They came here, and do you know what they did? They put a little sign in the window pretending they wanted the thing sold. They spent hundreds if not thousands of taxpayers' dollars for a cheap publicity stunt.

Mr. Milliken: Then what did they do?

Mr. Boudria: Then they had someone drive in the back laneway with another limousine, this time subsidized by the taxpayers of Canada by way of electoral contribution to the Reform Party. Shameful behaviour.

What about political reform à la Reform? Let us look at what they had to say about that. During the election campaign they produced a cheap imitation of the Liberal red book. It was a cheap imitation, because we all know how popular the Liberal red book was. I am sure members remember it well.

We of course are delivering on many of the promises in the red book. We will deliver on all of them, of course, during our mandate.

Anyway, let us get to the Reform book of promises now. Here is what they said. It is called "Better Representation in Parliament". This is a reading from the blue book of the Reform Party. At that time, the Reform members said: "Until parliamentary reform is enacted, the Reform Party pledges that having had a full opportunity to express their views and vote freely in caucus, such caucus votes always will be made public".

Mr. Milliken: I remember that promise.

Mr. Boudria: I remember that promise well. I ask the hon. members across, will they table those votes that they have made in caucus? Why have they not made them public?

I think it is a silly idea to start with, but of course I am not the one who promised it. They did. We had much more meaningful promises in the red book.

Anyway, those are their promises. Those are the things they saw as being important. Why are they not delivering on those promises to the people of Canada? What stopped them from tabling the minutes from their caucus meeting? They said that they would do it. It is a pretty corny thing to do, but it does not matter. I mean, they are the ones who said they would do it. Why are they not doing it?

Listen to this as I read on, because it gets better. Pay attention, because we are going to read more. It says: "Reform MPs shall vote with the Reform Party majority in the House unless a member is instructed to abstain or vote otherwise by his or her constituents. The Reform Party of Canada shall provide criteria for proper processes to elicit the will of the constituency". Let us stop at that point.

Let us talk about gun control in all of this. We know that the vast majority of Canadians are in favour of gun control. How many Reform MPs are going to vote in favour of gun control? We think two Reform MPs will vote in favour of gun control. Only one did last time around.

Let us talk about the province of Ontario. Insight Canada did an extensive poll in the province of Ontario. There is not one constituency in Ontario where people who are against gun control would have a majority, not one. We did an extensive poll, and that is proven.

I ask the hon. members across, what about the Reform Party MP from Ontario? Did he not, according to this test that the Reform members have for themselves, fail the test? Did he fail to deliver on the little blue book of the Reform Party? Is that not somewhat unethical?

Mr. Milliken: What about Alberta?

Mr. Boudria: What about Alberta, as the hon. parliamentary secretary said so eloquently. He is quite right again, as he usually is. Again the Reform members have missed the boat.

An hon. member: What did the justice minister say?

Mr. Boudria: I do not know. It is so unusual here that the Reform Party members are buttressing their own argument by quoting Tories. They are the ones who said that Tories were these bad dudes when they came here to Parliament. Now that they are here, I see a little coalition developing. They are quoting Tories.

• (1225)

They are hanging around with those Tories too much. Yes, yes, yes. They are way too close to those Tories. We can see them being way too close to each other. It is rubbing off. We can tell that it is only a question of time before we have the great coalition of Reformers and Tories. We know it. Those are really friends of Brian Mulroney across the way. We can recognize those kinds of people when we see them.

Mr. Milliken: You are right. The similarities are very apparent.

Mr. Mills (Red Deer): Your nose is growing.

Mr. Boudria: The member for Kingston and the Islands agrees with me. My colleague has just indicated that the similarities are very apparent.

Let us talk about parliamentary reform. We Liberals have promised parliamentary reform, and we have delivered. Yes, we have delivered to the people of Canada. We suggested greater influence of MPs on committees, and we delivered on that.

Mr. Hermanson: No way.

Some hon. members: No.

Mr. Boudria: I hear some people disagreeing across the way. Perhaps they were not paying close enough attention to what goes on in committee.

Let us see what we have done here. The government has agreed that bills could be sent to committee before second reading. Well, we have done that in the case of the lobbyists bill. As a matter of fact, we accepted amendments from the opposition side. They were Reform Party amendments. They are in the bill. When was the last time someone else did that? Did the Tories do this when they were in government? Surely not. Those are Liberal examples of opening up the process, and we have done that. Perhaps the members across disagree with the amendments proposed by their colleagues at the committee. If so, I am almost tempted to ask why they voted for them.

The bill on lobbyists is an excellent example. It was produced in the House, sent to committee, the committee improved upon it, and then at report stage we improved upon it more with the contribution of hon. members across.

[*Translation*]

Mr. Speaker, it is clear that this government is totally open to giving parliamentarians a greater role.

Let us take a closer look at this. A bill was drafted from A to Z by a parliamentary committee during this Parliament and was even passed by this House. I am referring to Bill C–69, and this committee was chaired by a very clever chairman, in the person of the hon. member for Kingston and the Islands.

[*English*]

We promised more free votes and we delivered.

Mr. Hermanson: You have not.

Mr. Abbott: When?

Mr. Boudria: I will give a few examples. For the first time in the history of Parliament, a bill involving government spending and royal recommendation was proposed by a private member, the first time since 1867.

Mr. Abbott: Government business.

Mr. Boudria: The hon. member for Restigouche—Chaleur proposed that bill.

What about the bill with regard to parole proposed by the hon. member for York South—Weston? The bill received support of members from all sides of the House. There were Liberal MPs who were for the bill and some Liberal MPs against. Liberal MPs had a truly free vote on that. One cabinet minister voted for the bill and other cabinet ministers voted against. Even though the majority of cabinet voted against the bill, as the whip I voted for it. What is a better example of a free vote than that?

An hon. member: I cannot imagine one.

Mr. Boudria: There is no better example than that. Did the Reform Party have people voting for or against any of those measures? No.

We have had some 170 division bells in this Parliament. Does anyone know how many times we had Reform Party MPs dissenting from one another? Twice. They voted unanimously 168 times. And they are preaching parliamentary reform to us?

[*Translation*]

Mr. Speaker, this is a disgrace. The members opposite should be— I cannot understand why they would even want to stay in this House. They should go and hide after saying the things they said earlier.

• (1230)

Another free vote promised by the government is on the euthanasia issue; it has not been held yet. We had debates, we consulted the House on the role of our troops serving abroad in Bosnia. We had parliamentary debates to provide advice and guidance to the government on the cruise missiles issue. We have this kind of debate in this House, totally open debates for all parliamentarians.

[*English*]

We promised effective prebudget consultation. We delivered on that as well. Never before has this country had that kind of prebudget debate.

The members across the way who voted altogether 168 times out of 170 are preaching parliamentary reform? I say to the members across the way, Reform, reform thyself. They sure need it badly. I think it comes from sitting too close to the Tories. I come back to my original point. That is what is.

[*Translation*]

We, in our party, made promises to the Canadian people during the last election campaign. Those promises are in the red book. We presented the Canadian people with a comprehensive programme, a manifesto, describing what we intended to do for our country. Having made these promises, we now intend to keep them.

The red book, and I happen to have a copy of it right here, is full of great ideas. Those are the proposals we have put to the people of Canada. The people elected us to deliver and that is what we intend to do.

[*English*]

Now let me give a couple of examples. Primarily we promised two things in the area of ethics. First was to have a lobbyist bill. Members across the way tried their best to delay it. Second, we promised to have a joint parliamentary committee to change the rules regarding the code of conduct for MPs and senators. And who is trying to stop that process? The Reform Party. The strange thing is that Reformers are trying to delete the senators from that process. They do not want members of the other place to have conflict of interest rules.

Today a member of the Reform Party stood in the House and asked to delete by unanimous consent a section of the rule book that applies to MPs. I wonder if my colleague from Kingston and the Islands knows that. Reformers wanted the rule book to be thrown out. What does that tell you about Reformers? I do not think they like rules. I think they like a state of unruliness a lot better.

We introduced a bill to reduce MPs pensions. What did the Reformers do? They do not want to reduce MPs pensions. As an alternative they propose increasing MPs salaries. They want to increase MPs salaries.

They were elected on the pretence they wanted to have a reduction in salaries. Some of them even took a pay cut. A little while later they noticed there was insufficient appreciation for that kind of nonsense and they withdrew what they were doing and not because it was wrong.

One of them admitted publicly to the press that he had ceased to do it because his constituents were not appreciating it enough. In other words, he was not getting enough publicity out of it so that particular member decided to pull out of the scheme, or should I say, out of the scam that had originally been perpetrated. That is not what I would call parliamentary reform.

[*Translation*]

So, the hon. members opposite may think they have the monopoly of virtue, but reality is altogether different. We all know, in this House, that this government has every intention of delivering on its program, the red book, for the people of Canada.

• (1235)

We know that that is what we intend to do, are doing, will continue to do and will succeed in doing.

[*English*]

We know on the other hand that some people were elected having made some promises to the people of Canada. They have failed miserably in terms of delivering on those promises.

Mr. White (Fraser Valley West): They are going to get you.

Mr. Boudria: I see a fresh heckler across the way. No doubt he is getting ready to deliver an impassioned speech about government ethics. I say to him that he should read the material of his own party, that little blue pamphlet which it produced to—

Mr. Milliken: To dupe the electors of Alberta.

Mr. Boudria: I do not think I would say to dupe the electors. In any case, they made promises to the people of Canada and they were in a position to deliver on some of them and they did nothing.

The Reform members across the way who are asking for more free votes voted unanimously 168 times out of 170 votes. Shame on the Reform members. Shame on what they have to say.

Those people across have nothing to say about ethics and it is obvious. If they had something to say they could prove it by their actions, by assisting us in proceeding with the agenda on

which we were elected, by producing the legislation which we all promised to the people of Canada, instead of delaying and using obstructionist tactics such as we saw yesterday.

Mr. Hermanson: You were not here yesterday.

Mr. Boudria: A member opposite has said that for us to deliver on the promises we made to the people of Canada is a sign of arrogance. That is the view of one member. He has just said it in the House. If doing that which the electorate expects of us is arrogance, I plead guilty.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it is always a joy and a delight to listen to the sophistry of that particular member. He is a piece of work.

I cannot comprehend a person who has come to the House and of all things has spoken specifically against the actions of the former Tory government under Standing Order 78, and then stood to say: "Oh, my, was that not terrible?" If we had said why do we not do away with Standing Order 78 when he was in opposition, he would have stood and applauded and said: "Do away with it". This is really a piece of work.

An hon. member: Hypo–grits.

Mr. Abbott: Hypo–grits is right.

Talking about free votes, every time he spoke about free votes he would talk about free votes in the context of private members' bills. What about government voting?

I noticed when voting on Bill C–68 that there were three members who stood up to be counted. However, there were 45 members in the hon. member's caucus who did not have the intestinal fortitude to come to the House to stand and be counted for their constituents. When those three members stood to be counted, they were turfed from their committees. How in the world as the party whip can he possibly say that he is for free votes when he is prepared to turf these people from their committees?

What about Bill C–41? Is he going to allow free votes on Bill C–41?

Mr. Boudria: Mr. Speaker, we have been in office now for some time—

Mr. White (Fraser Valley West): Are you lost for words?

Mr. Boudria: No. I can assure you, Mr. Speaker, I am not lost for words. That is not something that happens to me very often.

The hon. member across just asked me a question about Bill C–41.

[*Translation*]

I know that our colleague has now acquired a great deal of experience. He has been sitting in this place for a good while and, of course, this House has matured, it is getting on.

[*English*]

I am sure that the hon. member knows that the whip does not invent discipline. What kind of nonsense is that?

Mr. Abbott: He just enforces it.

Mr. Boudria: That is exactly the point. The whip is an official of the caucus of which he is a member and that is what I am. I am responsible for anything that has to do with administration, discipline and so on.

• (1240)

The member is asking me the position of the caucus on that issue or on any other issue and I am not in a position to do that. If and when that issue does come up, it will be discussed in the caucus to which I belong and not with the hon. member.

Furthermore, the member raised the issue of Standing Order 78. The hon. member said that when I was in opposition I would have wanted Standing Order 78 to be revoked. Before the member makes an allegation like that, it might be prudent to check the facts. I have no knowledge not only of myself but of any Liberal MP in the last Parliament nor the Parliament before who has ever asked to revoke Standing Order 78, or whatever the equivalent number was. If he can prove that I have ever asked for that, I will gladly rise in this House and apologize. However, I do not think he will ever find that. If he does not find it, which he will not, I hope he will stand and apologize.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I have a couple of questions for the member.

The first question is with regard to pensions. I do not really think we need to debate it. I do not think there is anybody on this side of the House who could accept that gold plated disgrace that is called a pension plan. I believe the Canadian people also agree with that.

Let us get to committees. The member says we will prove him by his actions. Let me tell this House a little story about my first meeting with the hon. member. It was in the case of our foreign affairs standing committee: nine Liberals, three Bloc, three Reform. We were having a democratic election of the chairman and the two deputy chairmen. We had talked and got to know each other. About a week later we were to have this democratic election.

I was fairly certain at that time I would be one of the vice–chairs because I had talked to a number of Liberals about our backgrounds. However, the member for Glengarry—Prescott—Russell came into the room, tapped the Liberals on the

shoulder and told them how to vote and that is how they voted. That is the democracy of this place. It is a sham that the member stands up and sounds like he is some kind of wonderful democrat.

Mr. Boudria: Mr. Speaker, I will gladly respond to that. Who sits as vice–chair of committees is something that is negotiated between the two opposition parties in the House and not the government.

An hon. member: It should be democratic. It should not be negotiated.

Mr. Boudria: I did not make the constitutional conventions under which we are governed. I have been in Parliament a long time but not quite that long.

We have an interesting proposition here. At the time there were negotiations between the two opposition parties. It is not for me to bring this up but the member has opened up the can of worms so he will have to live with the result. At that time a number of vice–chairs were offered to the third party by the official opposition and they were turned down.

The third party turned down the vice–chair positions that were offered. The then whip, and at that time the hon. member called herself a caucus co–ordinator, did not want the particular vice–chairs that were offered. She wanted better ones. She did not like those particular vice–chairmanships and decided to do that for whatever reason she had in mind, which should have been discussed inside the Reform Party caucus room. It was supposed to have minutes in public later but it never has. However, Reformers can decide that in their caucus room and then make whatever decision they want. Those were decisions made by the two opposition parties.

While we are on that topic, there were also negotiations like that with regard to office space. I remember how they got bogged down too. The leader of a certain political party, not the number one or number two party, not to be too specific, decided he wanted the better part of the whole floor in a building. He wanted sweeter suites, if I can refer to it that way.

• (1245)

Members across the way should watch how they speak on some of these issues. They know perfectly well that it was a representative of the hon. member's own caucus who refused to take a number of vice–chairmanships. She decided that she would rather have none than the ones that had been offered by the official opposition.

That is a disagreement between the opposition parties. It has nothing to do with the government.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, every day that goes by in the House I see more and more of the arrogance of the Liberal Party.

I have listened to the Liberal Party whip twice in the last two days. It is becoming clearer and clearer. It is the same arrogance that ousted the Conservatives from office. As it continues it will get worse. Blatantly, in the face of Canadians, we see today patronage appointments across the land of every one of their friends, Liberal Party hacks, failed Liberal candidates, and on and on it goes.

The red book was produced during the last election. The Liberals realized that Canadians wanted to see something about what they were running on.

The member said that the blue book of the Reform Party was a cheap imitation of the Liberal red book. I believe that is a quote. The blue book was produced in 1988. From 1988 to today 52 members of the Reform Party came to the House because they had principles. They documented them. They modified them by their assembly. They do not produce cheap red book documents during an election campaign and then subsequently ignore them.

If we can get away from arrogance for just a moment, I would like to ask the member where and when the red book was developed.

Mr. Boudria: Mr. Speaker, I also think the member across the way is a very fine person.

The Liberal Party red book is a compilation of a number of documents. First there were a number of meetings across the country in 1992. That was followed by a document in January 1993 called "Reviving Parliamentary Democracy".

An hon. member: They were back door Liberal hack meetings.

Mr. Boudria: Mr. Speaker, I am trying to answer the hon. member's question. He is interrupting himself.

Then it was followed by another document entitled "The Liberal Blueprint for Defence Conversion" in March 1993; "A Liberal Perspective on Crime and Justice" in April 1993; "Food Security for Canadians and a Fair Return for Canadian Farmers" on May 10, 1993; foreign policy handbook in May 1993; and the Liberal Party program for small business. On August 16, 1993 all these documents were made public. They were combined to produce the red book later that summer which was released during the election campaign. That is a rough scenario.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I rise on a point of order. I have a note in my hand to which I would like to respond. There were personal allegations made about me. I would like to respond to them and to the note. I seek unanimous consent of the House to do that.

The Deputy Speaker: Is there unanimous consent of the House for the member to speak?

Some hon. members: Agreed.

Mr. Mayfield: Mr. Speaker, I will read the full text of the note. It states:

Mr. Mayfield, who is this Dr. Greenaway? Is he the former MP? What board did he sit on?

It is signed "Don". The note was delivered to me less than half an hour after the chief government whip made the allegations. I did not have an opportunity to respond to him and he knows it. He took advantage of it.

Dr. Greenaway by his own admission was fired. If he was not fired, why was he not reappointed? Why was this trusted member of the B.C. Treaty Commission not allowed to continue the valuable work he was doing? Why did the government shove him aside to replace him with someone else who did not have the experience, who did not have the same trust, who did not have the ongoing confidence of both sides? I reject the allegations.

• (1250)

It is another example of the kinds of tactics the rat pack used. I have no idea why rat pack tactics are necessary in a government that has the majority.

Rat pack tactics continue not only in the House but in the committees. We see them every day. Why is there no courtesy? Why are members not listened to? We do not ask them to agree with everything we propose. We only ask that they listen. Many if not most of our proposals, ideas and suggestions are not even given the courtesy of casual consideration.

The government deserves this lack of confidence.

The Deputy Speaker: Unanimous consent given to the member to speak with regard to some allegations made earlier by the government whip.

We are now out of time for questions or comments but presumably it makes sense to give the whip a chance to reply, if he wishes, to the comments just made. Then I will go briefly to the hon. member for an extended question or comment.

Mr. Boudria: Mr. Speaker, I reiterate what I said. I have page 131.01 of the orders in council which I will gladly table. It was said in the House earlier this morning that Dr. Lorne Greenaway had been fired. I have proof in front of me in this document. Lorne E. Greenaway, commissioner for Canada of the British Columbia Treaty Commission, is from Williams Lake, British Columbia. He was appointed on April 14, 1993. Contrary to what we were told his term expired—he was not fired—on April 13, 1995.

If it is the wish of the House I will gladly table a copy of the page of the book in question. I stand by what I said. It is factually correct. The person was not fired. There was an allegation made by an hon. member that he was fired. That is not true. I sent a note to the member opposite giving him a chance to correct himself.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, I think that all this talk about openness, democratic government and the committees' influence is hilarious. Everyone is a comedian. Earlier, I put a question to the hon. member for Saint–Léonard but I failed to get an answer. Perhaps my preamble on government openness was much too long, so I will ask a very, very simple and very short question.

I repeat my question. At the second reading stage of the gun control bill, two or three Liberal members voted against the bill and were then expelled from their committees. I would like the hon. member for Glengarry—Prescott—Russell to tell me what will happen to them if they vote against the bill at third reading?

[*English*]

Mr. Boudria: Mr. Speaker, the hon. member opposite asks how the whip of a particular political party does his or her job. I am sure his whip in the House would not want me to question him in that manner.

As whips we work together for hours in a day administering everything from the Board of Internal Economy to the unanimous consent sought by political parties.

The hon. member opposite surely does not expect me to divulge caucus information. Nor would I expect him to do that. Only one party advocated making public the results of its caucus meetings. That was the Reform Party and even it did not do so.

• (1255)

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, it is a pleasure to rise today to address the following Reform opposition day motion:

> That this House condemn the government for its failure to keep its red book promise to make the government more open and permitting members of Parliament to be more accountable to their constituents.

I am sharing my time with the hon. member for Fraser Valley West.

I will not spend much of my 10 minutes replying or trying to rebut the nonsense we just heard from the hon. government whip. However I should like to reply to a point that was not adequately addressed by him. He called the blue book of the Reform Party a cheap imitation of the red book. Then he stood in his place and said that the first date he could recall the red book being formulated was 1992. The blue book was originally formulated in 1987 and published in 1988 for the election. He should stand to retract the statement as an outright breach of trust.

In my limited time I would like to discuss why I became involved in politics because it has a bearing on the subject of accountability of MPs to their constituents that we are discussing today.

The majority of western Canadians and the majority of the constituents of the riding of Prince George—Peace River that I am proud and pleased to represent predominantly supported the Progressive Conservative Party for years. I was one of its supporters although I never belonged to the party. I voted for the Conservatives hoping to see an end to the reign of terror thrust on Canada by Pierre Elliott Trudeau. The incumbent at that time was Mr. Oberle. He was very well supported. At one time he was known as landslide Oberle. That is the level of support and loyalty the Progressive Conservatives and Mr. Oberle had in the riding of Prince George—Peace River.

Gradually, after the Conservative sweep of 1984, the people of my riding and of much of Canada, certainly western Canada, began to feel a sense of betrayal. The first Mulroney government was plagued by scandal, almost from the time it took the reins of power in 1984 in the most massive mandate a governing party has ever had in the country.

I could go on and on about the scandals but I will just refer to a few: the Oerlikon land flip, the tainted tuna or what was described in the press as Tunagate, the Sinclair Stevens affair, and the infamous CF–18 decision when the reigning Conservatives took the contract for the maintenance of the CF–18 fighter aircraft away from Bristol Aerospace in Winnipeg that should have had the successful bid and awarded it to Canadair in Montreal. That created a sense of betrayal certainly all across western Canada.

That was the flashpoint, the trigger point, when I became so disenchanted and disillusioned with the political system and with the Conservatives that I said something had to be done to change the system.

I became involved in the fledgling Reform Party. When I first heard about it, it was not even a party. It was just a reform association, a group of Canadians from across western Canada who had decided that enough was enough.

I was attracted by its policies on those dreaded double *d* words: the deficit and the debt. It believed in the government living within its means and justice reforms, that criminals should be held responsible for their actions and real punishment was needed to provide deterrents for criminal activities. A cornerstone of the Reform Party was the democratic reforms we advocate. We have advocated them all along as was shown today in our blue book.

Because of the sense of betrayal we realized the fault did not really lie with individual politicians but with the system of government in Canada. We advocated a number of democratic reforms, referenda and citizens initiatives. The Charlottetown accord is a shining example of what can happen when the people become involved in the democratic process.

It is interesting to note that the Liberal Party did not get the message from the Charlottetown accord. The Reform Party was the only federal political party to come out against it.

• (1300)

Everyone said we were crazy, we had committed political suicide. We saw that as people became more informed they started to see the flaws in the accord and ultimately the polls reversed themselves and it was defeated in the referendum.

Another reform advocated was recall whereby constituents could actually hold their elected officials accountable. We fixed election dates so the reigning party could not play with the election date according to the polls and the support it was getting.

On a true triple E Senate which we have never given up on and never will give up on, we want to see a true, elected, efficient and equal Senate rather than the patronage heaven it has become under the reigning old parties.

Above all else, what attracted me to the Reform Party was its stand on MP accountability. MPs should truly represent the wishes of the majority of their constituents, not once in a while when it happens to coincide with their party's position or perhaps their own deeply held views, but all the time, where the majority of opinion of constituents is readily evident and can be determined.

I ran in the 1988 election and I never had any desire to become a politician. There are still some days when I debate with myself the decision of becoming a politician. I decided to run for Reform because I realized something had to happen to change the way government operated.

I was attacked back then by the old line parties. At that time the Conservative incumbent in open candidate forums said: "Mr. Hill said he would run government by polling. MPs would simply become polling machines".

It is interesting to note that on Bill C–68 that is exactly what the Liberals are doing after the old line parties have accused us and criticized us for wanting MP accountability. They are ruling by polls.

I contend and I have always maintained those polls are erroneous if the majority of Canadians became better informed about the gun issue and how difficult it already is to own a firearm in Canada.

As some of my colleagues have already said, I cannot believe the arrogance starting to show through with the government. That is one of the big reasons Mulroney was turfed out and why the Conservatives were reduced to only two seats in the House.

One of the worst possible examples—it is seared into my mind, that is how upset I was when I watched it on television one night—was when Mulroney kicked two of his caucus colleagues out of caucus because they dared to vote their constituents' wishes on the GST.

One of those members currently sitting, interestingly enough, is the Liberal member from Edmonton—Southeast; you, Mr. Speaker. I commend your stand that day and I am sure your constituents do and that is why you were re–elected. You represented the people. That is the type of leadership we want to see in the House from all MPs from all parties.

I will read some red book promises in the short time I have left, from the section "Governing with Integrity". It says: "The most important asset of government is the confidence it enjoys of the citizens to whom it is accountable. This erosion of confidence seems to have many causes. Some have to do with the behaviour of certain elected politicians, others with an arrogant style of political leadership. In the House of Commons a Liberal government will give MPs a greater role in drafting legislation through House of Commons committees. More free votes will be allowed in the House of Commons".

Yet we see on Bill C–68, as has been revealed today already, a total disregard for the right of MPs to currently accurately represent their people when the three Liberal members from Kent, Timiskaming—French River and Huron—Bruce were removed from committees.

Rumours always abound on Parliament Hill. We have heard rumours the Liberal Party and the whip will adopt three strikes and you are out. If a member votes three times against their party, they are out of there.

That is a very real threat for members from old parties. We have seen where the leaders will not sign their nomination papers. The threat is they will lose their job and that is deplorable.

• (1305)

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, I am a little disappointed at times by Reform members because they promised more courtesy and sometimes they do not show that. They also said they would bring to the House much better behaviour and from this corner I do not see it. I am one of those who try to be mindful of others. I also came into politics without really wanting to, but I am here now and I respect everyone but I do not seem to receive respect from everyone.

Democracy is a very strange animal. At times it is extremely uncomfortable and at times it is not very acceptable. However, it is the only system we know. As we know, democracy means the majority rules. Every time we have a discussion among party members it is held in caucus. In caucus at times we argue quite passionately because we do not always agree. There are 177 of us and we all have a different opinion and a different constituency to serve. However, in the end the majority rules. As I said, at times it is not easy.

If we did not have a party behind us I do not know how many of us would have made it. There is only one person in the House elected as an independent. We have to remember that.

When my three colleagues were punished I was not happy with it. I read it in the newspaper and I did not agree with it. However, after I thought about democracy and how the majority rules and how it is important to understand each other, I started to agree with it. I also realized some people in our caucus were hurt by the action of our colleagues.

We owe much more respect to each other and I would also like to see the better behaviour which was offered.

Mr. Hill (Prince George—Peace River): Mr. Speaker, I appreciate her comments. They allow me to address something I have been very concerned about all along, as have all of my Reform colleagues.

What she says is quite accurate. When we came here we wanted to institute a new sense of decorum in the House. We tried quite valiantly for a number of months. I explained this to my constituents at home on open line shows and in public meetings. This is the only place in Canada where it is part of an individual's job to sit here and take the nonsense we take every day, all year round when the House is sitting. I have turned out to be one of the worst when it comes to heckling. I am not proud of that but it is a self–defence mechanism. We sit here day after day and we take that from across the way.

When I was raised back home one of two things would happen. If we were insulted the way we have been insulted in the House we would either get up and smack someone or we would get up and leave. Unfortunately as an elected MP trying to represent the people of my riding I have to remain in the House. That is why decorum has deteriorated in the House. I am not proud of it but we are getting down to the same level as her colleagues.

She mentioned how passionately they argue in caucus. That is exactly what the Conservative incumbent used to say to us time after time. The GST is a classic example. Eighty per cent of the people were opposed to it and he would say: "I defend your rights. I passionately defend what the people want me to say in caucus but when it comes to the House I am muzzled and I cannot get up and say the things you want me to say". The Reform Party will be different. When the people of Prince George—Peace River want me to say something in this House, by golly I will say it.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I would like to say it is a pleasure to stand in the House to talk about broken promises but it is not.

• (1310)

It is somewhat despairing to address issues to Liberal members of the government in the House. Sometimes we think they are not listening. Look at them all here. If anyone

thinks they are not listening just turn the cameras. It is almost a national disgrace that we have yet another majority government in place not listening to the people.

It came out with a document called the red book designed explicitly for the election campaign. The government whip stood up a short while ago and said our blue book was a cheap imitation of the Liberal red book. He went on to say the Liberal red book was developed in late 1992 and 1993, and the Reform Party's blue book was developed in 1987 for the 1988 election. I guess those are the principles and the differences.

There is a facade hanging over the government. It tells us one thing but does a little of what it tells us to say it has completed it. I will go through some examples of it. I cannot call that lying in the House but I can call it about the closest thing to a facade as anything I have seen.

When the Conservatives were in government and the Liberals stood on this side of the House, the Liberals sanctimoniously stood up and berated the Conservative government for all its faults. The Liberals get elected and they do the same darn thing. No wonder people are sick and tired of politicians.

Let me talk a bit about a promise made in the red book: "A Liberal government will review the appointment process to ensure that necessary appointments are made on the basis of competence and will move quickly and decisively in several ways to address these concerns about conflict of interest, influence peddling and selling access".

Ms. Ablonczy: They moved fast all right, right toward it.

Mr. White (Fraser Valley West): A good point. My hon. colleague says they did move fast on it, they moved right toward it.

Let us discuss the Senate. In the face of the majority of Canadians they start taking their members and friends and move them into the Senate, even a currently elected MP. Talk about disrupting the democratic process, this individual was elected and all of a sudden the Prime Minister wants to put one of his buddies in so he says: "I will haul you out, give you a Senate job until age 75 and I will put in one of my buddies and run him in the race". I think that is about as disheartening as we can get.

Let us look at a few patronage appointments. The government stated it would review the appointment process to ensure that necessary appointments are made on the basis of competence. Please tell me if this is a truism after I am finished. A Liberal candidate in Dunvegan, Alberta in 1993 was appointed assistant commissioner to the Canadian Grains Commission. He must have been competent, he was a Liberal candidate, right?

I wonder how many Canadians had the opportunity to get that job. I wonder how many executives out of senior corporations who are now out of jobs had an opportunity to get that job. None. There were no opportunities at all. However, the Liberal Party hacks had opportunities.

Another one started with the Prime Minister as executive assistant at Indian affairs in 1970. He was the Prime Minister's aide in the Quebec Liberal Party in 1992 and now a member of the St. Lawrence seaway authority. There were lots of qualifications there. They say they will clean it up by ensuring necessary appointments are based on competence.

I have another one. A B.C. Liberal Party executive director in 1994 was appointed director of CMHC. We are certainly looking after the affairs of the red book.

Let us take a couple of others. A long time supporter and personal friend of John Savage, worked on his campaign since 1979, was made director of the Halifax Port Corporation.

• (1315)

Anther one under Pierre Trudeau was Minister of Indian Affairs and Northern Development, Minister of Public Works, President of the Treasury Board, appointed chairperson of the Canadian Tourism Commission. What is going on in this country?

These Liberals stood over here when the Conservatives were appointing all of their friends, and now they are doing the same thing, which they promised they would not do.

What do Canadians think about this whole process? They say: "They are just politicians. While we are out here trying to earn a living, we are overtaxed, overburdened with bureaucracy, politicians are appointing their friends, giving themselves great pension plans, appointing senators until age 75."

Here is an interesting one I ran across. A failed Liberal candidate in the 1993 federal election was appointed director of the Canadian Commercial Corporation. Why should I be so dismayed about that? It is just another political appointment. I ran against this guy and defeated him in my riding. I wonder how many other people in my riding who are out of work and who are better qualified than that fellow get an opportunity to get that job. Not one. The ones who get the jobs are Liberal Party friends and hacks.

The list goes on and on, but there is no sense talking to a dead tree over there. It does not work. It has been chopped down. There is a stump there. It does not work.

There was talk about cleaning up crime by the Liberals. Many of them probably do not live in areas where there is crime, because I do not think they understand it all that well. Some of their policies absolutely escape me.

I have to get this on record today. I was reviewing one of the prisons in my riding. They are so concerned about the criminals. They are getting tougher and tougher on criminals. I must admit that the Liberals are trying to do a job. They instituted "Project Bleach" in my riding. Matsqui Prison is a medium security prison with zero tolerance for drugs, which is commendable. That is the Liberal policy, zero tolerance for drugs. However, "Project Bleach" gives one–ounce bottles of bleach to the criminals so they can sterilize their needles for cocaine drug intake.

This is a tough Liberal government. I think that was one of the tougher promises in the red book. Alcohol is also tolerated in prisons. I wonder when they are going to come out with a policy of putting one–litre bottles of coke on the tables and a little ice in case they sneak it through the cells.

I do not understand what is wrong with this group. I want to talk again a little about the ethics of the government. It is concerned about conflict of interest and influence peddling. Let us talk about conflict of interest for a minute. The Minister of Public Works and Government Services in Cape Breton has an agreement and he gets involved in the SHIP agreement, the strategic highway improvement program in Nova Scotia. This is a federal–provincial agreement, with both funding the projects.

What does he do? First of all, the Minister of Transport is not even involved in this. The minister of public works says to the minister of transportation and highways in Nova Scotia: "Why not upgrade the Fleur–de–Lis trail in our riding"—which is not funded by federal–provincial dollars. "I'll take $26 million out of one of the most dangerous highways in Canada—Wentworth Bypass and we will move it on down to our riding. We will put some people to work and we will get re–elected." That is ethics? That is the kind of ethics a minister of this government practises.

• (1320)

The Liberals promised to move quickly and decisively in several ways to address the concerns about conflict of interest and influence peddling, and they did that. It only took them 18 months to move the damned money from the Wentworth bypass over to their own riding. They are moving quickly.

I will give the Liberals credit for one thing, they sure made a lot of promises. They sure moved fast to break them. No matter how much they tell the Canadian people that they are making it, they are not.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member in his speech made very slighting references to a series of excellent appointments the government has made in the last while to various boards and commissions.

He chose to read very selectively from the list of accomplishments of the men and women who had been appointed to these jobs by reading only their qualifications as members of the Liberal Party, which of course would stand anyone in good stead, anywhere, anytime. However, the hon. member neglected to mention in the course of his very partisan remarks the list of qualifications that each of these persons possessed in addition to their membership in the Liberal Party.

I know that the hon. member and his party are moving a motion today that has to do with broken promises. In light of their constant promise in the blue book to come clean with Canadians and tell the truth, would it not behove the hon. member to get up in his answer to my question and read the very impressive CVs of each of the candidates who were appointed to the positions he has just indicated, indicating to the House and all Canadians the excellent qualifications they possess, which entitled them to be appointed to these positions?

Mr. White (Fraser Valley West): Mr. Speaker, it must be a coincidence that notwithstanding all of these appointments they were all involved in the election campaign, raising money for the Liberals. I wonder why in this day and age, with all the good executives and other people across the country looking for jobs, these ones at the trough just happen to be involved with the Liberals.

Mr. Hill (Prince George—Peace River): It is just coincidence.

Mr. White (Fraser Valley West): Long time supporter and personal friend of John Savage—I mentioned that; married to former Liberal mayor of Vancouver; a former Ontario Liberal legislative assistant; a former member of the Quebec Liberal executive. It has to be a coincidence. It just cannot be that notwithstanding the jobs they did, they were Liberals and they got the job.

Some hon. members: No.

Mr. White (Fraser Valley West): I do not see anybody who was not a card carrying member of any party, nor do I see any of the old party from jurassic park, none of the separatists in there, no people who just do not get involved in politics. No. The one qualification they all have is they are Liberal Party hacks and friends. Make no doubt about it.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I must say at the outset that I certainly would never take a view as pessimistic of the role of Parliament and the work of the new Liberal government as my friend opposite has. Perhaps we simply see things from different sides of the House.

I can assure my constituents and other colleagues in the House who would care to listen that my experience in Parliament is much more positive than my friend articulates. Again, by another dimension of measurement, my experience in Parliament is much more satisfying and fulfilling to me, to

Parliament, and I hope to my constituents than was my experience in the last Parliament.

• (1325)

Hopefully we can continue to make things better. To be sure, things are not yet ideal. All of us in the House are working to improve the way the House represents Canadians in debate and in the generation of legislation and in that other area, which often goes unnoticed in the House, the area of delegated legislation; the field of creation of statutory instruments and regulations.

The government has made great strides in fulfilling our red book commitments for a more open and accountable process based on fair play and other principles that they know Canadians will endorse. We have made a commitment in the red book to review the appointment process to ensure that necessary appointments are made on the basis of competence, not political affiliation or other criteria.

My friend opposite has listed a number of appointments and made reference to their relationship and affiliation with the Liberal Party. He failed in almost every instance to make reference to the abilities of those individuals.

As the Prime Minister has said, and I support him wholeheartedly on this, one is never going to be prejudiced from serving in a part time or full time position for the Government of Canada just because the person happens to be a Liberal.

We promised accessibility and transparency. I accept that things do not necessarily happen overnight around here. One does not simply push a button and get exactly what one wants. But the process has been in place for over a year and we have produced some excellent results.

We also undertook to examine the size and relevance of existing boards and commissions to achieve cost savings and to fill the remaining vacancies in relation to some of these agencies, boards, and commissions by way of an improved appointment system. The first step to establish an efficient appointment system was by means of a thorough review of the agencies. More than 350 agencies, boards, and commissions were examined, which involved 500 full time positions and 2,000 part time positions.

As a result of the review, 30 per cent of federal boards, agencies and commissions have been wound up or streamlined. Wound up means gone. We want to eliminate overlap, duplication, and to simplify government. Again, this is easy to say, tougher to do. We are still working on it. We will continue to wind up those agencies that no longer serve a purpose. This agency review has improved the accountability regime for governor in council appointments, and this enables the government to manage these agencies more effectively.

The second part of this process, after streamlining the agencies and reducing the number, was to improve the appointment process. There also the government has done a thorough review of the process. We want to make it more open and accessible.

The role that boards and agencies are expected to play is clear and appropriate. When that is the case it is possible to be more precise in identifying the qualifications needed by appointees. This in turn permits improvements in the recruiting process. In this respect the government has made changes in the process for these appointments, always keeping in mind accessibility, transparency and confidence.

The appointment process has been made more open and transparent through the advertisement of vacancies for full time GIC positions in the *Canada Gazette*. I know a lot of Canadians do not wake up with the *Canada Gazette* on their doorstep, but it is one instrument that publicizes for the public record all these openings and is disseminated across the country, including to all the libraries on the list. All these openings are advertised there. People who have an interest will be able to find out when the vacancies come open.

• (1330)

In order to place the advertisements it is necessary to develop job profiles that contain job descriptions and selection criteria. In those notices there are references to job descriptions and selection criteria. All federal agencies are required to provide job profiles and these same selection criteria for full time fixed positions. The selection criteria are then used to find the most competent people to fill these positions.

The advertisement of vacancies in the *Canada Gazette* generates a greater pool of candidates and contributes to better appointments. Interested individuals send their CVs either to the agency or to the minister's office. Some people even send it to the Prime Minister's office. At the end of the day these resumes and CVs end up in one pile. Each CV is then evaluated in accordance with the established selection criteria.

This particular process has been in place for nearly a year. As I say, it was not in place when we first took over government. It may be some time before all of the wrinkles and variations in the process are fully dealt with. The improvements have begun. I can testify to that.

As a Liberal member of Parliament in the last Parliament I sat in opposition and watched the appointment process as it was. While on the opposition benches we noted what we regarded as deficiencies in the process. We did not have much impact on it.

In this Parliament we have made a change in the process. What is remarkable to me is that after nine years on the opposition benches and as a person active in Liberal politics, having ended the nine year mandate of the previous government, I have had more than one Liberal come to me and

question me as to why it is not possible for Liberals to get appointed to agencies, boards and commissions.

To be sure there are many Liberals being appointed. People I have worked with in the party have taken note of the fact that being a Liberal and just being there is no longer the way one gets appointed to an agency, board or commission. One has to have the competence. I have passed that message on to many. It is a change from what has happened in the past, going back five or 10 years.

The other part of the motion today has to do with parliamentary reform. It is a subject I have always taken a great interest in. I have said to my spouse and friends that I would be willing at the appropriate point in time to lay my career on the altar of parliamentary reform. I have not had to do that yet.

Parliament is changing. It is reforming. This government made a commitment to be a part of the reform process. I have to point out something that is very fundamental in understanding what drives parliamentary reform. It is almost impossible for a government to say that it will and that it does take full responsibility for parliamentary reform. A government does not own Parliament. A government does not at all times of the day drive Parliament. Parliament belongs to its members and through them to the electorate of Canada.

People must realize that this Parliament is a distinct branch of government, distinct from the executive. The lay person who has not spent time around the House of Commons or who has not studied it in great detail in high school or university might miss some of the more obvious distinctions between the executive branch of government and Parliament.

• (1335)

Let me record my perception that there is a huge difference. If Parliament is to be what Canadians expect it to be, it is important for members of Parliament and Canadians to understand that distinction and to understand what drives Parliament and parliamentary reform.

The government has gone on record as wanting to play a role in the restoration of confidence in Parliament and confidence in government. The government can take care of the government but it is those of us in Parliament who have to take the responsibility for Parliament.

It has to be pointed out as well that all ministers of the government sit in Parliament. I hope that their focus when they sit here is as much parliamentary as it is governmental, but I accept that from time to time a minister's role is to account to Parliament for the management of his or her portfolio. The ministers will not, by the nature of their work, be fundamentally involved in driving parliamentary reform.

In any event, from the point of view of the government this is just not talk. We started with parliamentary reform very early in our mandate. In January 1994 we introduced quite significant rule changes to open up the parliamentary decision making process.

The objectives of the reform were to make Parliament more relevant and to consult and work with MPs more in the day to day decisions of government so that MPs would have a greater impact on those day to day decisions. We have to keep in mind that outside of Parliament there is a vast public service which is loyal and operates 99.9 per cent of the time within the law in accordance with the mandate which comes to it by statute or by policy. We also wanted to give MPs a greater role in influencing legislation as it developed.

That is what the government said it wanted to give Parliament. I would like to repeat that it is not as much for the government to give than it is for MPs to take. The history of this place includes the history of all the British Parliaments. Over time, parliamentarians have given their lives to ensure there was a Parliament which would work. We in this country are the beneficiaries of that history. All of us ought to subscribe to the philosophy where we accept the burden of making Parliament work and take the obligation to reform it to make it vital and responsive to Canadians.

We made four changes in the rules of this place at the behest of the government. Committees of the House, which are a very vital part of Parliament, may now draft bills. Those are not just words. That was done.

Bill C–69 was drafted in committee. I sat on that committee. It was a tedious exercise. It is one which MPs are not used to, to actually meticulously draft a bill. We needed a lot of help but we got it done. It was a big job and there is room for more of that in this Parliament.

Bills can now be referred to a committee before the second reading vote. That is the point in time when Parliament approves a bill in principle. By referring it to a committee before the second reading vote, before approval in principle, it provides the committee with much more latitude to make changes or additions to the bill. The committee is not bound by the principles articulated in the bill which would have been adopted at second reading.

That is a very important change. We have already seen the benefit of it several times in this Parliament, including the Marine Transportation Security Act, the amendments to the Lobbyists Registration Act and the amendments to the Corrections and Conditional Release Act. I sat on that particular exercise and found it useful. There are a couple of other bills coming into the House where we believe colleagues may be so disposed as to refer them to committee before second reading.

Two of these are Bill C–62 and Bill C–84. My experience is that this is a very useful device.

• (1340)

Standing committees of the House will have the power to look at the department's future spending priorities. If there is one area of work in Parliament where I think Parliament and the government has let Canadians down it is in the review of the estimates. It is an institutional fault. The estimates procedure as it has evolved over many years has left this House almost functionless in carefully reviewing government's proposed expenditures.

The new rules turn the tide and provide another area of work for MPs. As a member of Parliament, I cannot say that MPs have taken up the challenge. The process is just beginning and the proof will be in the pudding. I do not know where it will end up. However, if MPs do not take the challenge and work with the new procedures, then we may be seen to have been as ineffective under the new rules as we were under the old rules. That is something which is coming down the pipeline. I for one will watch it closely and do my best to make the system work.

The finance committee was given the power to report on the budgetary policy of the Government of Canada. That was a specific mandate given to a specific committee. There is some historical precedent for that.

There used to be a committee and I think it was called the committee of the whole but it was not the committee in the House. It was a standing committee that used to review all of the estimates and put its stamp of approval on it at the very end. That ended about the time John Diefenbaker ended his career here. He was one person who regretted the demise of that particular committee and procedure. In any event, we are making an attempt to get back to focusing on government expenditure policy in the one committee. At least one committee will make some macroeconomic comment on it, if I can put it that way.

The last thing has to do with Parliament's right and ability to require disclosure from Canadians. In this place we call it the power to call for persons and papers. It basically consists of requiring people to attend, give answers to questions and produce documents much like the power a subpoena would have.

There are a number of things developing in this Parliament where we will have an opportunity as a House to reconfirm the rights and authorities that we have as a Parliament to require disclosure. Over the last decades we have not used it. We have accepted an ill advised view of the executive branch of government that we really do not have those powers. However, we do. Parliament does and at the end of the day we may exercise them at committee and on the floor the House.

I hope when these parliamentary tests both in the House and in the other place come up this year or next, MPs will make the right decision to confirm those powers which have been passed on to us over a number of generations of parliamentary history. It is a challenge and I hope my colleagues will not let us down. I am sure they will not, but the challenge will not be here until it gets here. I invite MPs to play a role in that vital element of parliamentary reform when it gets here.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I was glad to listen to my hon. friend. I have had the pleasure of sitting on at least one committee with the member and really respect his fair mindedness, hard work and good judgment.

I wonder if the member would comment on a situation that has been troubling me.

• (1345)

At times all members of a committee would like to see a policy or a decision go a particular way. There is general agreement. The hon. member in his years in Parliament probably has seen more than one instance of this in a committee.

However, word comes down from on high, from the minister or the department that it is not the recommendation that is wanted from the committee. Therefore government members on the committee tend to have to move in the direction they are told.

I wonder if the member, even without commenting on any instance of this, could propose or suggest a way that we could deal with the situation so that members on a committee have a greater ability to put their own judgment forward. Is there a procedure he has thought about, a reform or a change that could make the situation a little more workable?

Mr. Lee: Mr. Speaker, I had the pleasure of raising this question about two weeks ago. I asked a similar question of a former prime minister who was prime minister here for many years. I thought I could get a crisp answer. He gave a good answer but it did not help us at all. It does not have the easy answer.

Each MP sitting on a committee is part of a party. Members realize that they got elected as part of a party in many cases. When some direction comes from the team captain, they listen carefully.

I have found in my experience that as one gets experience in parliamentary work and as committees get experience and build up a sense of cohesion, a policy base and a policy focus, its members are more confident in the views they may take and put forward. As to questions that have come up at committee where there has been some tilt from the executive

part of government, I can honestly say that I have seen these things go both ways.

I remember on one committee a few years ago, I had to wait a whole year to get through a resolution on a matter where the government absolutely did not want that to happen. In the end colleagues on the committee on the government side saw the right way, acquiesced and it went through. That matter is still a matter for this Parliament. It is in the pipeline.

It is a matter of generating the self–confidence and the knowledge in the field. It is a matter of MPs themselves making the right decisions in committee, taking into account their team responsibilities and the public policy interests that may be involved in a question. In the end, there is no simple answer.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, in this debate on openness brought to us by the Reform Party, I heard the hon. member speak of his desire for openness, just as his own government dealt extensively with this issue in the red book.

I would like the hon. member to give me his opinion on the March 1987 report by the Standing Committee on Justice and Solicitor General, which recommended that the Access to Information Act apply to all federal institutions, including administrative tribunals, the Senate and the House of Commons.

I would like the hon. member, first, to tell me whether he endorses this committee report and, second, to explain to me why, after 18 months in power, his own government has not ensured openness and free access to information from the House of Commons, the Senate, and some public officials reporting directly to Parliament, including the Chief Electoral Officer, the Commissioner of Official Languages, and the Auditor General. None of these people is subject to the Access to Information Act.

How does he explain that, after 18 months of Liberal government and especially 30 years of Liberal rhetoric on openness, people in Canada and Quebec do not yet have access to basic information, which would ensure openness in public administration?

• (1350)

[*English*]

Mr. Lee: Mr. Speaker, this country has some of the most advanced access to information legislation in the world. I did not arrive in this place until 1988 but I did sit on committee with the chair of the committee who played a great role in the report referred to by the hon. member.

I believe there is a role to expand the ambit of access to information. By the same token I am sure the member opposite will agree there are some areas of government that simply are not conducive to full and complete access.

Where do we draw the line? Which agencies will be accessible via open access to information and which will be on the schedule as not being fully open to access? Even agencies that are on the schedule and cannot be accessed completely and comprehensively provide information with exclusion, for example, the Canadian Security and Intelligence Service. Many others will provide information with some exclusions.

Parliament has never been bound by access to information statutes or privacy statutes. Parliament in my view never did bind itself. Members need not feel restricted by those statutes. If a committee of Parliament wants access to an area of government, there are no restrictions on Parliament's ability to access them. That is something of which all members should be aware. These powers have been given to us historically over the past centuries. If members want the information, they have the ability on the floor or at committee to get that information. For heaven's sake, use it.

[*Translation*]

The Speaker: I understand that the hon. member for Richmond—Wolfe wishes to speak.

Mr. Leroux: Mr. Speaker, could I perhaps have the floor right after Question Period? My time has not expired yet, but I would prefer not to interrupt my remarks. I would like to deliver my comments all at once.

The Speaker: Agreed. You will have the floor right after Question Period.

* * *

[*English*]

REPORT OF AUDITOR GENERAL

The Speaker: Colleagues, I have the honour to lay upon the table the report of the Auditor General of Canada to the House of Commons, volume 1, dated May 1995.

[*Translation*]

I remind hon. members that, pursuant to Standing Order 108(3)(d), this report is deemed to have been permanently referred to the Standing Committee on Public Accounts.

Since it is almost two o'clock p.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members pursuant to Standing Order 31.

S. O. 31

STATEMENTS BY MEMBERS

[*English*]

THE MEDIA

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, the CBC has been spending hundreds of thousands of dollars in the name of free speech to get the permission of the courts to show tapes of the Bernardo trial.

Has it asked Canadians if they want to see these shocking visuals? I want to know and the people of Canada want to know what can be done to protect the families of the victims of the Paul Bernardo case from the media.

In light the CBC's refusal to respect the rights of the victims' families, perhaps the CRTC should be given the power to prevent the wasting of tax dollars on this sort of tabloid journalism. Some efforts should be made to stop the media from its selfish and uncaring attempt to make money and boost ratings at the expense of the privacy of the families of the victims with total disregard for the rights of Canadian children.

* * *

[*Translation*]

OFFICIAL LANGUAGES ACT

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, Bloc Quebecois members have always opposed any attempt to abolish the Official Languages Act.

However, some Reform, Conservative, NDP and Liberal members, including the Liberal member for Glengarry—Prescott—Russell, gave their support to the Alliance for the Preservation of English in Canada, by tabling petitions asking the House of Commons to abolish the Official Languages Act.

The government is guilty of double talk. How else can we explain the closure of the only French speaking military college in Canada? How else can we explain the evasive answers to our questions on the insignificant attention given to French as a working language in the federal administration, in Ottawa and in Hull?

This government wilfully contravenes the Official Languages Act. That is confirmed by the reports of the Commissioner of Official Languages, and also by the actions of Liberal members.

The Speaker: My colleague, I should point out here that, when tabling a petition in this House, a member does not have to support or reject that petition. In fact, the Chair asks members to refrain from making comments when they table petitions.

[*English*]

THE FAMILY

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, because of a court decision yesterday, same sex couples can now adopt children in Ontario. Although the nuclear family is the basic unit throughout all societies on earth and standard throughout all ages of history, this definition can now be quashed at the stroke of a pen by one man acting in one court. This is a sad day for the family in Canada.

I remind the government that polls show that 67 per cent of Canadians believe that same sex adoption is a negative development. I would remind the government that the Liberal Party voted solidly against changes in the definition of the family. I remind the government that a provincial bill authorizing same sex adoptions was resoundingly defeated not one year ago in the Ontario legislature.

Who runs this country, one man in one court in one province, or the people of Canada? The courts are embracing a public policy shift far removed from the people. The federal government bears a solemn responsibility to do whatever it can to fight this trend, to fight to protect the institution that forms the basis of our society. We must continue the fight for the nuclear family.

* * *

NATIONAL FOREST WEEK

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, Canada is celebrating National Forest Week from May 7 to May 14. However, there is nothing to celebrate at the Petawawa National Forestry Institute.

This forest research laboratory, surrounded by 41 square miles of its own recorded research forest and history, is closing. Not only is this institute the oldest recorded research forest in Canada, but it is known nationally and internationally by top scientists. Tourists have come from around the world to visit it.

With its impending closure, we are witnessing a brain drain. Some scientists have indicated their departure to other areas outside Canada and others will be obliged to take early retirement even though their interests and hearts are still with the Canadian Forest Service.

It is rather ironic that trees that have come to the MPs in both lobbies of the House over many years of celebrating National Forest Week have come from the Petawawa National Forestry Institute.

We are not celebrating. We are in mourning.

CEDARBRAE COLLEGIATE

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, today a group of students from the student body of Cedarbrae Collegiate, located in my riding of Scarborough Centre, are visiting Ottawa. Along with my colleague for Scarborough West, I extend a warm welcome to them.

• (1400)

Cedarbrae Collegiate evokes fond memories to me of the occasions in the past when I visited the collegiate and participated in citizenship ceremonies.

I also thank the collegiate publicly for previous occasions when I and others were treated to some exceptional performances conducted by its excellent and renowned music department.

Congratulations to all the staff, administration and the student body. A special note of thanks and welcome to Mr. John Connors, also a member of the school administration.

* * *

CRIME PREVENTION

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I recently returned from the UN congress on the prevention of crime and treatment of offenders held in Cairo, Egypt.

I am proud to report that Canada continues to be recognized as an authority on human rights and a leader in attempting to identify the root causes of criminal behaviour.

Justice and Corrections Canada officials as well as participating NGOs combined their knowledge and expertise to establish a strong Canadian presence.

Our resolution which endorses the elimination of violence against women and children was supported by more than 55 countries. As well, during the Japanese sponsored gun control resolution Canada was commended for its leadership in establishing reasonable approaches to firearms legislation.

Other topical resolutions sought to discuss the standardization of extradition proceedings, the development of crime prevention strategies and to address juvenile and violent criminality and Internet protocol.

* * *

[*Translation*]

QUEBEC FINANCE MINISTER'S BUDGET

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, unlike his federal counterpart, the Quebec finance minister decided to tackle the deficit in his very first budget. In just one year, he will reduce Quebec's deficit by one third. By comparison, the Liberals only managed to reduce the federal deficit by 10 per cent with their first budget. The cuts in transfers to the provinces announced in last February's federal budget will deprive Quebec of $650 million in 1996–97 and $1.9 billion in 1997–98. Yet, the finance minister has the nerve to criticize Quebec's budget.

Did the federal Minister of Finance spend the first year of his mandate trying to figure out how he was going to tackle the federal deficit, only to come up with this idea of offloading it onto the provinces?

* * *

[*English*]

HUMAN RIGHTS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, today we have leaned that an Ontario provincial court judge has ruled that laws prohibiting adoption by homosexual couples are contrary to the charter of rights.

The Minister of Justice has frequently insisted that including sexual orientation in the Canadian Human Rights Act as he has promised to do will be in accordance with the wishes of Canadians.

The courts and not the legislatures are making the law in the country. In the face of the Ontario court judgment, how can the minister be so confident about how his legislation will be interpreted?

A recent Angus Reid poll demonstrates conclusively two–thirds of Canadians disagree with the Ontario court and do not wish to extend adoption rights to homosexual couples. The Ontario legislature refused to do this last year. In the same way, Canadians overwhelmingly oppose the minister's plan to amend the human rights act.

The Minister of Justice must reconsider his promise to add sexual orientation to the Canadian Human Rights Act and represent the wishes of Canadians, unlike the provincial court has done.

* * *

AUDITOR GENERAL REPORT

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, on a day when the auditor general's report dominates the day's news let us not forget some basic realities. Canada is being governed by the bureaucrats, not by elected representatives.

A few examples are all I can give in one minute but there is the Hughes contract with Transport Canada officials, a $377 million contract that got way out of hand. Another Hughes contract is with the defence department which even the minister has not been able to figure out yet. External Affairs transfer costs were identified today by the auditor general.

Instead of acting as spokespersons for the bureaucracy, it is time for ministers to stop protecting management levels. Make deputy ministers and directors general directly responsible for their actions.

Because termination is currently very costly, the system keeps senior bureaucrats on even when they work at cross purposes with elected politicians.

If cabinet is prepared to return to responsible government, Parliament may eventually be able to do its job of protecting the public purse.

* * *

● (1405)

THE ENVIRONMENT

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I extend my congratulations to one of Ontario's environmental groups, Fishermen Involved in Saving Habitat, FISH.

Environment Canada and FISH have been working together with the support of the environmental partners fund to carry out an environmental education project. This partnership has resulted in the development of the bronze level of the watershed report card, a management tool for bringing various stakeholders and community members together and collectively designing strategies for the protection of natural habitat. The bronze level is a crucial foundation which will pave the way for the silver and gold levels of the report card which will deal with the implementation of action plans for relevant ecosystems.

This project is possible because of the support of its community partners. These partners include the American Fisheries Society, the Ontario Ministry of Natural Resources, the Ontario Ministry of Environment and Energy, many volunteer workshop participants and of course Fishermen Involved in Saving Habitat.

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[*Translation*]

DR. RÉJEAN MÉNARD

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, the College of Family Physicians of Canada just named Dr. Réjean Ménard, who is from Granby, the family physician of the year.

This is the first time that this prestigious honour, sought by the 12,500 members of the college, is awarded to a physician from Quebec.

Dr. Ménard's dedication to his patients, his availability, as well as his interest in medical training and in teaching, make him a role model. We are very proud of him.

Dr. Ménard deserves our admiration and our gratefulness for his remarkable work, and I invite all the members of this House to join me in conveying our most sincere congratulations.

Some hon. members: Hear, hear.

* * *

[*English*]

HEARING AWARENESS MONTH

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, on behalf of the Canadian Hearing Society and the one in ten Canadians who are deaf, deafened and hard of hearing, I am pleased to draw to the attention of the House that May has been proclaimed Hearing Awareness Month.

The aging of our population and the increase in noise pollution have made hearing loss the fastest growing disability in North America.

For many deaf people American sign language is their first language. We must ensure they have access to employment opportunities, places of worship, entertainment and services of every kind.

It is also important to remember a little informed courtesy goes a long way in building and maintaining bridges between hearing and deaf, deafened and hard of hearing Canadians.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, today, the auditor general released the results of an audit by his office involving more than 300 public servants. The results are alarming. It appears that 33 per cent of federal public servants are afraid to lose their jobs if they blow the whistle on cases of conflict of interest involving their boss. Even worse, 60 per cent of senior managers would take no action if the process for awarding a contract to a single supplier was clouded in any way.

This is intolerable, and the government must show some leadership here. But how, when the Minister of Canadian Heritage and the Prime Minister constantly give preferential treatment to friends of the government? The Liberals, who said they would defend integrity in government, still have a long way to go to deliver what they promised in their red book. It will take more than words to restore the public's confidence.

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[*English*]

GOVERNMENT

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker:

When the last election battle
Was engaged the red book won
The promises all there to see
In plain talk they were put down
A new way to do politics
Make commitments that you'd keep
The public would be reassured
And go right back to sleep
The problem's not the deficit
Don't get hung up on the debt
Just get everyone back working
Jobs, jobs, jobs we need, you bet
We'll save our social programs

And replace the G.S.T.
The infrastructure program will
Bring work for you and me
To show we're really serious
We'll give special attention
To a symbol that the public hates
We'll reform the M.P. pension
But history won't be so kind
The red book makes me choke a bit
It gave us a brand new political phrase
We now know the hypogrit

* * *

• (1410)

ONTARIO ELECTION

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Ontarians are feeling it must be 1993 all over again. A Liberal leader has recently presented a red book which offers a clear vision of what can be expected from a Liberal government along with a timeframe for a plan of action, more than the party on the other side.

As in 1993, there is a strong Liberal leader with a great Liberal team. Lyn McLeod has offered the voters of Ontario a platform which reduces the deficit, offers hope and will make Ontario strong again.

Lyn McLeod is working hard to become premier and all Liberals are earning the trust of the people of Ontario. Liberals know we need more than empty promises from parties offering doom and gloom, destined for opposition like the Reform Party.

Like in 1993, a strong leader and the red book will paint this province red.

* * *

ONTARIO ELECTION

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, I welcome Lyn McLeod, leader of the Ontario Liberal Party, to the national capital region. Lyn McLeod will be in Ottawa tonight to support local Liberal candidates in the provincial campaign.

The provincial Liberals unveiled their action plan recently which contains the basis of their platform. This action plan follows a trend set by federal Liberal red book promises which will be kept.

The provincial Liberals have made it clear to Ontarians how they intend to get the province back on its feet and clean up the mess left behind by the NDP government.

I encourage all Ontarians to support Lyn McLeod and all her supporting team in forming the next Government of Ontario.

* * *

RESEARCH AND DEVELOPMENT

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, I bring to the attention of the House two research achievements developed in my riding and in the riding of Rosedale at the University of Toronto.

The first involves a computer interface design called EID by industrial engineering Professor Kim Vicente. This innovation could lead to improved safety and reduced human error in the running of nuclear power plants of the future.

The second involves work done by a team at Mount Sinai Hospital headed by Dr. Joseph Fisher. They have discovered that the main airway, the trachea, can constrict and dilate significantly during breathing, a discovery that could help in the understanding of asthma.

I congratulate these individuals for their work. These examples continue to prove our investment in research and development produces tangible results.

As we mentioned in the red book, a technologically centred industrial policy is the key to create a new economy and accelerate growth, thus creating badly needed long term and permanent jobs.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, have officials from the Minister of Justice's office called the James Bay Cree or the Council for Yukon Indians on this gun control thing? Has the minister attempted to respond to their letters? The Cree say no. The Yukon Indians say no.

Have justice officials been speaking with their counterparts in Alberta, Saskatchewan or Yukon? Has the minister attempted to resolve the impasse between those provinces and the federal government? The attorneys general say no.

Has the Minister of Justice met with Canadians from all across the country in public, open meetings? Has the minister attempted to address the thousands of Canadians who have reservations about this legislation? The people of Dauphin, Manitoba say absolutely not.

During the Manitoba election just held the voters of Manitoba said no to both the Liberals and the justice minister's legislation.

The final no ought to be said on this issue here in the House.

* * *

THUNDER BAY

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is with great pleasure that I rise today to inform the House of the outstanding successes from the hockey capital of Canada, Thunder Bay.

The Thunder Bay Flyers were crowned Ontario Junior A hockey champions. Not to be outdone, the Thunder Bay Senators fought tooth and nail to capture their second straight Colonial Cup.

Lo and behold, more victories were still to come. Shortly thereafter, the Thunder Bay Midget Kings battled on to win the Air Canada Cup.

Following these three successes, Thunder Bay went on to enjoy a fourth victory when it was once again acclaimed Canada's number one hockey town.

• (1415)

One cannot imagine a more successful city at the country's most favourite pastime. I salute the fine efforts of Thunder Bay's hockey warriors. These athletes have outdone themselves and stamped their mark on Canadian hockey for years to come.

ORAL QUESTION PERIOD

[*Translation*]

TAINTED BLOOD

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is directed to the Minister of Health. When the Commission of Inquiry on the Blood System in Canada started its proceedings, Commissioner Krever announced that he did not intend to start a witch hunt by identifying the people responsible for this situation but would suggest ways to correct the deficiencies in the blood supply system.

Considering the very serious revelations made yesterday in Toronto, does the minister intend to intervene and ask Commissioner Krever to make recommendations for possible legal action against those responsible for the tainted blood scandal at the conclusion of his inquiry?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we must let Justice Krever continue his inquiry and finish his work. I do not intend to interfere.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, you must admit we have a problem. We have blood purchased from prisons in the U.S. that contaminated the Canadian blood supply system and, in the process, dozens and dozens of Canadians. We have a commissioner who announced at the outset that he was not there to look for the guilty parties, and we have a minister who does not intend to take her duties seriously. We have a problem.

Would the Minister of Health agree that she has the authority to ask cabinet to take action and ask Justice Krever to change his position and ensure that charges are laid in connection with what happened, when the commission finishes its work? Does she agree that is the case?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the purpose of this inquiry is to find out what happened in the eighties and make sure that everything has been done to ensure this does not happen again. That is the purpose of the inquiry.

We asked Justice Krever to continue this inquiry. We support this inquiry, we provided $12 million in funding, and we must let Justice Krever do his job.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, considering the serious revelations made before the Krever Commission and the reply we were given just now by the minister who told us that the purpose of the inquiry was to ensure this would not happen again, does the minister not realize that she is supposed to be responsible for the health of Canadians, that Canadians agree this should not happen again but also want the guilty parties taken to court and punished for needlessly contaminating hundreds of Canadians?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will not comment on testimony now before the Krever Commission.

• (1420)

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health.

All imported blood products must be systematically inspected and approved by the Department of Health.

How does the Minister of Health explain that blood Connaught imported into Canada from American prisons could have entered the country without being inspected by Health Canada? Could she explain that to us?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will repeat it in the other official language of the House.

We have asked Justice Krever to do an official inquiry into the happenings of the early 1980s. We are allowing Justice Krever to continue his work of looking into what happened to make sure it does not happen again.

That work is continuing. We support that work. We await the outcome of his work.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, answers like that from the minister are a disgrace.

Some hon. members: Shame!

Mrs. Picard: In the light of the serious allegations weighing on her department's officials, is the minister prepared to initiate an internal investigation to find out how such things could have happened and whether present officials are involved in this matter?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, Justice Krever has full authority to examine everything that happened. He has already examined what happened at the provincial level. Now he is talking to the people at the

Red Cross. He is empowered to look into what happened in those years. We support his work and will continue to support it.

* * *

[*English*]

AUDITOR GENERAL'S REPORT

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, according to the auditor general's report our public servants' knowledge of ethics guidelines is mediocre at best.

Today's report estimates that 57 per cent of senior managers are either unaware or could not mention any element of the policy governing the ethical conduct of civil servants. This is hardly a ringing endorsement of the red book promise of restoring public confidence in government.

My question is for the Deputy Prime Minister. How does the government account for the fact that 57 per cent of its senior civil servants are not aware of their own ethics guidelines?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, a limited and random sample was taken by the auditor general in four departments of the government involving less than 400 people.

There were some statistics as a result of that, but I am very happy to report that 86 per cent of public servants felt the ethics standards were very high. The auditor general said that when it comes to comparisons with other governments or with the private sector there is nobody that surpasses the ethics standards of the Government of Canada.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the Reform Party recognizes that the ethical conduct of the majority of public servants is beyond reproach. Our concern is with the 25 per cent who would accept goods and services at cost for their own personal use and the 30 per cent who would think it is appropriate to hire their brothers–in–law. Surely the Prime Minister would be relieved to find out that bureaucrats were not asked about sons–in–law.

I have a supplementary question. Given the fact that a notable proportion of the public servants would not report such unethical behaviour, will the government introduce legislation to protect whistleblowers?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, he points out the 30 per cent. How about the 70 per cent that quite clearly understood the question and gave the appropriate answer?

There are systems in place that properly protect the ethics and the cost efficiency of operations of the government. There is an open bidding system. There are contract review boards to help ensure that it is all properly handled and above board. That is the essence of this. Furthermore training is provided for our employees. It has been subscribed to in even greater numbers over the last few years.

I think we are in good shape and I think that is what the auditor general is also saying.

• (1425)

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the President of the Treasury Board talks about the training and the auditor general has proposed that we introduce training, reporting and, more important, leadership from the top down.

The auditor general emphasized that it is the responsibility of the Prime Minister and his cabinet to provide ethical leadership and suggested that ethic counsellors be appointed in every government department.

My question is for the Deputy Prime Minister. Will the government lead by example and implement the auditor general's recommendation for an ethical framework for public servants, including establishing truly independent ethics counsellors starting with the cabinet?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we are doing precisely that. We have a framework for ethics, and the red book is a great demonstration of that.

Since we formed the government, through the initiatives of the Prime Minister an ethics counsellor has been put in place. There is a lobbyist certification for all contracts. The Lobbyist Registration Act has been amended. There is a conflict of interest and post–employment code for public office holders.

A great deal has been done to ensure confidence in the integrity of the system. I think the auditor general already recognizes that we are building on a very strong base.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday, the auditor general released a report—to which my colleague alluded moments ago— regarding ethics in the government, which was based on a survey of 329 federal public servants. It revealed that 46 per cent of those surveyed would not intervene to prevent a member of their family from being hired and that 33 per cent of them feel that they would be putting themselves at risk if they were to point out a conflict of interest implicating their boss.

Will the Deputy Prime Minister admit that these figures are unacceptable and that they are the symptoms of the very serious problem that the public service has with ethics? Is it not the government's responsibility to react quickly to remedy the situation?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Yes and the government is acting quickly, Mr. Speaker.

We have certainly brought to the attention of the deputy ministers in all departments that they are to get the proper information to all employees so that the policies of the government are followed.

It is interesting to note that 91 per cent of public servants would report a significant fraud or illegal activity and that 78 per cent of public servants recognize there are very high ethics within their departments and within the operations of the government.

The vast majority understands the code. They read the code. They are given it. They all sign in writing that they have read it and fully understand it.

We will continue to ensure that the code is followed and that the highest ethical standards are followed both in the public service and in the government itself.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, given that 12 per cent of all senior officials see nothing wrong with altering contract specifications to give a certain tenderer the edge, a very serious act, will the Deputy Prime Minister acknowledge that the government hierarchy is riddled with problems with ethics and that, unfortunately, the example comes from on high?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, many of the people who were sampled, as I indicated before, are not in a position to make those kinds of decisions.

Nevertheless, the ethics standards are important for all people in the public service to be aware of. The government, as I have said already in answering the question, is making every move to comply with what the auditor general has said. We have no disagreement with the auditor general whatsoever and are already taking steps to ensure that is implemented.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, in news reports released today the auditor general disclosed that 12 per cent of senior managers believe it is appropriate to undermine competition for a contract at the request of a supervisor. Furthermore one in three public servants would not intervene to stop it. Nor would they report it.

My question is for the President of the Treasury Board. How widespread is the undermining of the open bidding process? What checks are in place, if any, to prevent such unethical behaviour?

• (1430)

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I hope that the opposition, particularly the Reform Party, realizes that it has several people asking the same question.

As I have indicated before, there are systems in place. There is an open bidding system. There are in fact contract review boards. There are codes of behaviour which are known to all of our employers. The vast majority recognize the good ethical standards which need to be followed.

The system is working well. There is always room for improvement. We certainly agree with the auditor general. However, the auditor general also said that in terms of comparison with the private sector or with other governments, the ethics standards of this government and its public service are very high indeed.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I think it is despicable that any senior manager would even consider undermining the competitive process. But then whose example are they following? We have the backroom José Perez deals, the Power Corp. deals, the Canada Communication Group deals, the Seagram MCA takeover.

Ministers and deputies should lead by example. The best way to assure that they are would be to make the ethics counsellor directly responsible to Parliament and not to the Prime Minister.

My question is for the Deputy Prime Minister: For the umpteenth time, will the Prime Minister honour the explicit red book promise and make the position of the ethics counsellor report directly to Parliament?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, this subject has been discussed previously on numerous occasions.

We have shown leadership by example in terms of the ethics counsellor, in terms of the Lobbyists Registration Act, the lobbyist certification of contracts, the code of conflict of interest and the code of post–employment. All of these things, led by the Prime Minister, have helped to establish a very high ethical standard for the government.

[*Translation*]

ABORIGINAL AFFAIRS

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

In a letter to his Quebec counterpart, the minister rejected rather casually the $333 million in claims submitted by Quebec to the federal government. These claims include reimbursement of the costs incurred during the Oka crisis, the federal contribution to the education of aboriginal peoples in northern Quebec, and stabilization payments.

Can the Minister of Intergovernmental Affairs assure us that, when he meets with his Quebec counterpart next Monday, he will be more open to Quebec's claims than he was in the letter he made public yesterday?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the claims mentioned in the letter to Minister Beaudoin were submitted a while ago and dealt with under a totally proper and standard procedure.

In the case of the Kanesatake claims, the federal government has already paid a certain amount, and the remaining bills are being audited by the auditor general, who will report back to us within a few months. This equitable, normal procedure will allow us to resolve the problems in this matter according to the usual standards governing relations between the federal government and the provinces.

The two other cases are similar, and we also expect the process to achieve equitable results. Therefore, the letter referred to by the opposition is totally proper and in line with good federal–provincial relations.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, with respect to the claim relating to the education of aboriginal peoples in northern Quebec, how can the Minister of Intergovernmental Affairs wriggle out of his responsibilities under the James Bay Agreement and argue that the matter is progressing normally, when the first claims in this matter were submitted in 1986–87? Is a ten year delay normal?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the facts are not as presented by the hon. member. In fact, the federal government has so far spent some $450 million on native education.

● (1435)

In this matter, the Province of Quebec refuses to implement the provisions of the agreement and to submit the various budgets to joint approval. That is why the federal government paid an amount equal to estimated costs. We asked Quebec to present us with its bill so that we could pay the balance.

Again, this is proper procedure, and unfortunately in this case the Parti Quebecois is preventing us from settling this matter once and for all.

* * *

[*English*]

ARTS AND CULTURE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the Minister of Canadian Heritage does not understand our fiscal situation or he does not care. Instead, he is siphoning funds out of his programs into his ministerial slush fund, the cultural initiatives program. He has funded the Bronfman Foundation, Harbourfront, projects in ridings of his cabinet colleagues and who knows what else. The minister is using departmental funds to keep his Liberal friends happy.

Will the Minister of Canadian Heritage stop abusing his funding powers and cancel the wasteful cultural initiatives program?

[*Translation*]

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I would rather our hon. colleague specify which programs she finds so despicable. Some of these programs are carried out in Ontario, a part of the country which is represented by Liberals. In addition, some of the projects my department contributes to are funded jointly by the federal government and the provincial government, which, in this case, cannot be mistaken for a Liberal government.

Instead of making unsubstantiated allegations, I think that she should take a closer look at which programs are approved on their own merits and funded through the grants and contributions allocated to my department.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, continuing on this topic of wasteful spending, the minister toured Norway at the taxpayers' expense. He took political staff to lunch in Los Angeles. Now he is going to the movies in France. He is going to help 16 culturecrats spend $350,000 at the Cannes festival. What an expensive night at the movies.

We understand this is the last year for Telefilm to have a booth at Cannes. Given our times of fiscal restraint, when Telefilm is laying off staff, how can the minister justify this last kick at the Cannes?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, let me first dispose of the cultural initiative program. I know where the member is coming from. She wants the CBC to be privatized.

Some hon. members: Hear, hear.

Mr. Dupuy: Mr. Speaker, I see that I had it right.

She also wants to get rid of programs supporting Canadian culture and return it to the private sector in the hopes that one day all of Canada will be under American culture.

As to her allegations concerning trips to Cannes, she does not seem to be aware that the Cannes festival is the greatest marketplace where films are traded. If she is for the private sector, she should be concerned that Canadian products are properly marketed in that most important marketplace.

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[*Translation*]

PRIME MINISTER'S MOSCOW VISIT

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

There is some confusion as to why the Prime Minister did not attend the military parade in Moscow. The Prime Minister said he boycotted the parade to protest against the war Russia is currently waging against the Chechens. On the other hand, the Prime Minister's assistants denied repeatedly that he had refused to attend, arguing that the parade had never been on the Prime Minister's agenda.

How can the Deputy Prime Minister explain the discrepancy between the statements made by the Prime Minister, who said he had boycotted the parade, and his assistants, who said that he was never scheduled to attend?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, his assistants were wrong.

• (1440)

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I thank the Deputy Prime Minister for her laconic answer, to say the least.

How can the Government of Canada think that the Russian president would take seriously this symbolic protest against Russia's attitude in the Chechen conflict when in the same breath, in the same interview, the Prime Minister stated that the top priority for the Canadian government was to increase trade with Russia?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think that the fact the Prime Minister chose to boycott the military parade along with all the other heads of state does not take anything away from the message to the Russian government.

That said, it is also obvious, as the Prime Minister indicated, that the celebrations marking V–E Day reflected the fact that 27 million Russians lost their lives in World War II. That is why he wanted to be there, with the other heads of state, to celebrate V–E Day, without forgetting what is going on in Chechnya. He took up the matter with the president and that is why he boycotted the parade.

* * *

[*English*]

NUCLEAR NON–PROLIFERATION TREATY

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

One hundred and seventy–five nations are now meeting in New York to consider the extension of the 25–year old nuclear non–proliferation treaty. While the non–nuclear states have honoured that treaty and have not acquired nuclear weapons, the nuclear states have not honoured article 6 to reduce and eliminate their nuclear weapons.

In order to assure the extension of this important treaty, could the minister say what is being done to oblige the nuclear states to reduce their nuclear weapons in accordance with article 6?

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the hon. member for his question. I also compliment him on the many years that he has been working with other nations on this topic in his membership with the Parliamentarians for Global Action.

Today is a historical day because in New York it was agreed to extend indefinitely the present NPT. The NPT will prevent the spread of nuclear weapons and it is very vital to Canadian security. All hon. members will be pleased to know that it was a Canadian resolution that won the support of more than 100 nations which led to this consensus.

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FIREARMS LEGISLATION

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, Canada's doctors are experts on saving lives. Bill C–68 is designed to do the same. Today the Canadian Medical Association said that it is "unconvinced that the registration provisions in Bill C–68 will be effective in reducing suicides or homicides".

The justice minister says he will consult the experts. Will he listen to Canada's healers?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the Canadian Medical Association presented an extraordinary brief to the justice committee. It testified today making a solid case for every element in Bill C–68. It is true to say that the Canadian Medical Association representatives were not able to say they supported registration. They said that they did not oppose it.

They took no position. That is interesting. For whatever internal reason within the CMA it made it impossible for the CMA to arrive at the logical conclusion flowing from the facts upon which it relied.

What is also important to note is that before the committee this morning were not only the politicians of the profession but also the practitioners, the emergency room physicians and the experts on suicide. As the hon. member knows because of his presence at the committee this morning, the emergency room physicians and the suicide specialists strongly favour registration as well as every other—

The Speaker: The hon. member for Macleod.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, when the Canadian Medical Association first looked at this bill it supported its objectives. When it went through the bill thoroughly, it said it was unconvinced about registration. Alberta, Saskatchewan, Manitoba, and the Yukon all say the same. It is a nice way of saying the bill will not work.

• (1445)

Will the justice minister admit in the House that Bill C–68 on gun control is unravelling?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it appears that no one favours this bill except the Canadian people.

Some hon. members: Bravo.

Mr. Rock: The hon. member makes reference to the extraordinary position taken by the attorney general of Manitoba. In taking that position, in opposing registration of guns, the attorney general of Manitoba opposes the position taken by the police chief in Winnipeg, the police chief in Brandon, and the Manitoba Police Association. She takes a position that is adverse to the women's groups in Manitoba. This is a person responsible for the status of women in the province of Manitoba who conceded yesterday to the committee that she did not consult with women's groups before taking the extraordinary position that she opposes legislation that they have supported for many years. The record speaks for itself.

Some hon. members: Hear, hear.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

In his last budget, the Minister of Finance announced that immigrants and refugees would have to pay a $975 tax to be able to gain permanent resident status in Canada. We have learned that the Mississauga processing centre alone rejected over 4,000 applications for settlement, between February 27 and April 28, because claimants could not pay that tax.

How can the Minister of Immigration, who pledged that no immigrant or refugee would be adversely affected by this new tax, explain that 4,000 applications processed in Mississauga were rejected for the sole reason that claimants did not have the means to pay that $975?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member is basing his question on an article in *La Presse*. The report is wrong. The reporter was called and a clarification is forthcoming.

Let me outline for the member and the House the real numbers. Since the budget of February, some 18,000 cases have been processed. Of these, some 3,800 were processed without the landing fees attached. Therefore, they were not rejected. They were returned to the applicant for the fees to be attached. Those fees are now being attached and the applicants are reapplying quickly.

On top of it all, of the 18,000 applications since February, only 3 per cent, some 400 cases out of 18,000, have requested a loan. I cannot suggest, based on those facts, that the fee is imposing the kind of hardship the member wants to impress upon the House.

In addition, applications have gone up since the budget, not down.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, in spite of the minister's denial, which we will look into, the situation is serious and is getting worse.

How can the minister persist in denying the adverse effect of such a tax, given that, in two thirds of the cases, his department rejects loan applications from immigrants and refugees, on the grounds that they are insolvent?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I have just outlined the facts of the case. If the member does not want to accept the facts, that is one thing. If he wants to look at the facts and have a reasonable discussion, that is something else.

He says that the fee will jeopardize refugee cases. Let us look at the situation. A claimant coming to Canada makes a refugee claim to the best system in the world. As a result of the government's action last year, the claimant will also be able to work. If the claimant is accepted, he or she has the most important priority they were seeking—protection, refuge, sanctuary in the best country in the world. And they will get that.

• (1450)

The fee only gets applied after the refugee determination. It is a landing fee with a loan provision if they have a hardship. For what? In order to salvage settlement. The people who use settlement the most are refugee claimants. His proposition would have us do away with settlement and therefore jeopardize refugee claimants even more.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the James Bay Cree have stated that the justice minister did not consult with them concerning Bill C–68 and by failing to do so has violated section 24.4.26 of the James Bay and Northern Quebec agreement, which forms part of the Constitution of this country.

I ask the Minister of Justice, did he or did he not consult with the coordinating committee of the James Bay Cree on Bill C–68 in the prescribed manner and in accordance with the Constitution of our nation?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we complied completely with all legal requirements on the Government of Canada with respect to consultation. In fact we went beyond that. In the preparation of Bill C–68 we had the most intensive, most widespread, and most prolonged consultation conducted personally by a Minister of Justice that this country has seen.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I wonder why the James Bay Cree are making these statements if that is true.

Yesterday the attorney general of Manitoba stated that the justice minister's consultation with the province of Manitoba on Bill C–68 was "extremely, extremely minimal". I ask the Minister of Justice, did he or did he not engage in continuous consultation with the attorney general of Manitoba on Bill C–68, as he has claimed in the House?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the consultation engaged in by the Department of Justice with officials from the provincial and territorial governments across Canada was indeed continuous. They were provided throughout this and last year with particulars of the process as it emerged throughout the drafting and preparation of Bill C–68.

One of the points we relied on, which directly relates to Manitoba, was that in that province accidental firearm deaths are two and a half times the national average. We relied upon the fact that hospitalizations as a result of firearms in Manitoba are more than twice the national average. These appalling statistics, showing the need for further gun control, were very much on our minds as we consulted with Manitoba and the other provinces on these issues.

* * *

HATE LITERATURE

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, my question is also for the Minister of Justice.

I returned to my riding just yesterday to discover the streets strewn with hate literature. The local law enforcement people tell me they are inhibited from laying charges by two aspects of the Criminal Code under section 318: first, they have to get prior consent of the attorney general; and second, only distribution, and not simple possession, is an offence.

What does the minister offer in support of enforcement agencies to ensure that our streets are free from this disgusting activity?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the features of section 318 to which the hon. member has referred were intended at the time of introduction as an effort to balance on the one hand the need to have in the criminal law a sanction for those who spread hatred and on the other a recognition of the freedom of expression. That difficult balance may not be achieved perfectly in the code and perhaps there is room for improvement.

The code is under review. Also, our campaign commitment to create a round table on hatred chaired by a member of the cabinet remains outstanding and will be addressed. The features of the code to which the hon. member referred will be considered in that context.

It is the concern of the government for this very kind of expression of hatred that inspired the introduction of Bill C–41 to the extent to which it deals with hate. I urge all members of this House to join with the government in supporting every provision of Bill C–41 so we can show through the criminal law that hatred will not be tolerated in this society.

* * *

• (1455)

[*Translation*]

EMPLOYABILITY OF YOUNG PEOPLE

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

After some enquiries, we have discovered that several of the organizations seeking to enchance the employability of young Quebecers are still waiting for an answer from the minister regarding the renewal of their subsidy for the current year, which began on April 1. Moreover, others only got a

three month extension, in spite of the fact that the training they provide usually lasts an average of 16 weeks.

Why is the minister waiting to provide an answer to these organizations, given that the agreements have already expired, or are about to expire?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I am very pleased to note that the hon. member for Lévis is in full agreement with and supports the federal government undertaking action to support employment of youth in the province of Quebec.

It is certainly a good expression of the willingness to work together, federal and provincial governments and the private sector, to help the serious problem of youth employment. If the hon. member has specific concerns I would be glad to look at them.

As I have said in the House previously, we are attempting to allow our local employment centres the discretion and judgment at the local level to make judgments about how the money should be spent. If the hon. member would like to make direct representations about specific projects I will look into them.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the minister is trying to make me say a lot of things, but he need not look very far since the files are on his desk.

Does the postponement of these decisions mean that the minister has a hidden agenda, namely to cut even more deeply than the 15 per cent reduction announced last year, or is the minister punishing those Quebec organizations which refused to integrate the youth service corps or the young trainee programs into their activities?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the hon. member is so pleased with himself that he thinks he got a proper shot. However, he made one fundamental flaw in his logic. He has not recognized that in this fiscal year we have increased funding for youth employment across Canada by $43 million. We have increased it by 15 per cent, not cut it by 15 per cent.

* * *

HUMAN RIGHTS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, an Ontario provincial court judge has ruled that laws prohibiting adoption by homosexual couples are contrary to the charter of rights.

The Minister of Justice has frequently insisted that including sexual orientation in the Canadian Human Rights Act is in accordance with the wishes of Canadians. The courts and not the legislatures are now making the laws in this country.

In the face of the Ontario court judgment, how can this minister be so confident about how his legislation will be interpreted?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member's question, if I may say so, demonstrates a lack of grasp of the issue that was before the court in the case that was decided yesterday.

What was at issue yesterday was the constitutional validity of a provincial enactment dealing with the rights of adoption. That is entirely within the provincial sphere. What is intended by this government is to amend the federal human rights act, dealing with discrimination based on sexual orientation.

The judgment yesterday speaks for itself. It may be subject to appeal. I will not comment upon it. I think the distinction between the provincial jurisdiction dealing with adoption and the federal human rights legislation should be borne in mind.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, I well understand the difference between federal and provincial. What I am asking about is how anyone in the courts will interpret the law, whether provincial or federal.

Poll after poll demonstrates conclusively that Canadians disagree with the Ontario court and do not wish to extend adoption rights to homosexual couples. The Ontario legislature itself refused to do that last year. In the same way, Canadians overwhelmingly oppose the minister's plan to amend the human rights act at the federal level.

Will this minister reconsider his promise to add sexual orientation to the human rights act and represent the wishes of Canadians, unlike the Ontario provincial court recently did?

• (1500)

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, coming back to the central point, no, we are committed to the change in the statute. It is a matter of fundamental fairness and we will see it through.

There can be no connection in logic or in law between a federal statute dealing with the prohibition of discrimination and provincial legislation dealing with rights of adoption. One cannot and does not affect the other.

EMPLOYMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the Minister of Finance will know that the latest Statistics Canada report on unemployment shows that 56,000 women gave up looking for work in the month of April, sending the labour force participation rate for women over the age of 25 down to its lowest rate in 11 years. He will also note that the participation rate for youth has fallen by 8 per cent since 1990, and the small drop in the unemployment rate last month was due entirely to people leaving the labour market.

Will the minister admit that this is a disgraceful performance by the economy which is supposed to be in a recovery and which needs massive job creation if there is any real hope of meeting the problems of the deficit?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, over the course of the last year the Canadian economy, thanks to the competitiveness of Canadians, has produced a large number of jobs. In the the last year it has produced a record number of jobs; over 433,000. In the last quarter the private sector has produced over 100,000 jobs.

As a result of the activities and the greater productivity of Canadians, as well as the investment climate in which the government has certainly played an important role, the job creation capacity of the economy is stronger than it has been for a long time.

That does not mean there are not major problems. The hon. member has identified them in terms of women's participation, in terms of the participation of youth, and the hangover from the terrible recession of 1990 to 1993.

As a result, the very strenuous activities, fundamental reforms and the vision of the Minister of Human Resources Development are so important to the building of the country.

* * *

SMUGGLING

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of National Revenue.

In March 1994 the government introduced an anti–smuggling initiative to combat contraband such as cigarettes, alcohol, drugs and firearms. I ask the parliamentary secretary what progress Canada customs has made in stopping the flow of contraband goods at our borders.

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I thank the hon. member for his question.

I am pleased to announce that as recently as Monday, May 8 a customs detector dog identified 25 pounds of cocaine hidden in luggage at Pearson airport worth an estimated $5 million in street value. On Saturday, May 6 another customs detector dog uncovered $7.5 million worth of hashish at Mirabel airport. On April 29 Revenue Canada seized another $4.4 million worth of cocaine at Pearson airport.

That represents a seizure of $16.9 million of illegal drugs by Revenue Canada in less than 10 days. The minister, the customs officers and our fine nosed dogs, Shad and Buck, should be congratulated.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would like to ask the Leader of the Government in the House to provide details on what is in store for the next few days.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I am delighted to see that it is Thursday once again and I have a chance to provide the weekly business statement.

Today we will continue with the opposition motion. Tomorrow we will resume the legislative list on which we have been working: Bill C–67, the veterans' bill; Bill C–54 regarding pensions; Bill C–88 regarding internal trade; Bill C–87 with respect to chemical weapons; Bill C–86 regarding the dairy commission; Bill C–82 concerning the Mint; Bill C–85 with respect to MPs' pensions; and Bill C–65 regarding the reorganization of certain agencies.

• (1505)

On Monday we will begin with Bill C–89, the CNR legislation and then return to the list just given. We will continue with this list on Tuesday and Wednesday, adding items to it as we make progress. In particular, we would like to proceed quickly with the bill on the Federal Business Development Bank which the Minister of Industry is introducing this week.

Finally, next Thursday shall be an allotted day.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—GOVERNMENT POLICY

The House resumed consideration of the motion.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, it is my pleasure to take the floor regarding the Reform

Party's motion condemning the government for its lack of transparency and its inability to keep its red book election promises regarding the accountability of MPs to the electorate.

Above all, I would like to thank my Reform Party colleagues for introducing this motion condemning the government and the least I can say is that it is timely.

I therefore would like to take advantage of my time to bring to the attention of this House what I think is the most important point in this motion: the Liberals' lack of transparency. Indeed, day in, day out, these first 18 months of the Liberal government's mandate are far from shining examples of transparency, both as regards political appointments—a point which my colleague from Berthier—Montcalm irrefutably demonstrated this morning—and contract awarding and management. It is obvious that the promise of transparency contained in the red book was a trick to fool the Canadian public. Just smoke and mirrors to get elected.

Regarding the Reform Party's motion on the Liberal government's lack of transparency, I would like to raise the following issues in the House: firstly, the status quo regarding access to information since the Liberals acceded to power and, secondly, the role of lobbyists in the management of this government's affairs.

The Access to Information Act was passed in 1982 and went into effect the following year. It gives people the right to obtain federal government documents. Under this act, government institutions must give people access to their documents. Logically, we would have expected the Liberal government to rigorously apply the Access to Information Act, given the promises of transparency contained in the red book which the Liberal Party of Canada trumpeted so loudly during the election campaign.

On the contrary, after 18 years of Liberal reign, government bodies such as the House of Commons, the Senate and certain positions reporting directly to Parliament, such as the Chief Electoral Officer, the Commissioner of Official Languages and the Auditor General of Canada are still not subject to the Access to Information Act. Another example, that of Atomic Energy of Canada, is particularly striking. Why has this body never come under access to information legislation? Does such a dangerous and polluting energy have to be developed in the utmost secrecy, far from public scrutiny? I ask the question.

What about the transparency described in the red book? Why not make Canada's Parliament subject to the Access to Information Act, since it is the ultimate symbol of democracy in the Canadian federal system? In this context, the Bloc Quebecois, the official opposition, in the name of democratic principles and through its desire for greater transparency in the present system, has no choice but to support the report of the Standing Committee on Justice and Solicitor General of March 1987, which recommended that the Access to Information Act be applied to all federal institutions, including administrative tribunals, the Senate and the House of Commons.

• (1510)

The Bloc Quebecois gives particular importance to increased transparency in the Senate, our dear Senate.

The public is entitled to be able to study in depth the wild imaginings of this body, which is nothing more than a place for political appointments. Given the political context in Canada since the reign of the Liberal Party of Canada in the 1970s, we stress the urgent need for such transparency throughout the entire administration of federal institutions.

The events of the last few years, especially those involving the conduct of government members, raise serious doubts as to the Liberal government's political will to establish a code of conduct ensuring total openness in public administration. The red book promises are pure fantasies needed to ease the Liberals' conscience and to make Canadian federalist democracy look good.

Throughout the fall 1993 election campaign, the Liberal Party of Canada maintained that ethics would be an important part of its mandate. In the January 1994 throne speech, the government claimed that it attached the utmost importance to integrity and that it wanted to enjoy the people's confidence. It would therefore appoint an ethics counsellor to watch over government integrity and restore public confidence. So what happened? The ethics counsellor, who was appointed by the Liberal government, still reports to the Privy Council. He has no independent power of investigation and continues to report to the Prime Minister. The official opposition has often pointed out in the House that this hurts credibility.

According to the Liberal Party's red book, government integrity is in question every time people feel that lobbyists set public policy by wielding undue influence behind the scenes.

Recent events show that the whole Liberal strategy regarding a parliamentary code of ethics, confirmed by a government motion tabled in this House some 10 days ago, is just a smoke screen. The Broadcasting Act, which comes under the Minister of Canadian Heritage, is no match for the powerful lobby for PowerDirecTv, a company run by André Desmarais, the Prime Minister's son–in–law. The Liberal government even started defending ideas that Brian Mulroney's Conservative government held dear, turning into the advocate of competitiveness in North America.

Reading the ministerial orders from the Minister of Canadian Heritage, one can only bow before the powerful lobby for PowerDirecTv and kiss democracy goodbye at the federal level, where money and political friends rule.

The weakness of our political institutions and representatives is cause for concern. Not only does the government flout its own law and disown the CRTC, which is responsible for its application, but it takes retroactive measures preventing Expressvu, a competitor, from starting to provide service in September. All that in the name of competitiveness. In the meantime, the ethics counsellor promised in the red book is cooling his heels in the Prime Minister's outer office. And what about the recent visit of the Minister of Canadian Heritage to Los Angeles, where he was to meet with the majors of the American film industry.

The facts are as follows: three weeks ago, Edgar Bronfman Junior, an American citizen, and Seagram announced the takeover of the American giant MCA, a multi–million dollar deal. This announcement was made from a Los Angeles hotel, with the heritage minister in the next room. So far, no problem, or so it seemed. But it must be pointed out that MCA holds 20 per cent of the shares of Cineplex, a Canadian company controlled by another branch of the Bronfman empire.

• (1515)

MCA also wants to control Cineplex by merging with Cinemark USA Inc., whose head office is in Dallas. The trip made to Los Angeles by the Minister of Canadian Heritage makes me wonder, considering that Edgar Bronfman Junior seems to be trying to convince the federal government that MCA is a Canadian company, so as to avoid a review by Investment Canada. This is the kind of transparency displayed by the government.

Let us not forget that, according to the government's official policy, companies actively involved in the cultural sector must be controlled by Canadian interests. This explains why Mr. Bronfman is trying to give a Canadian identity to MCA. Under the circumstances, it becomes obvious that the real purpose of the minister's trip to Los Angeles was to reassure Liberal friends, namely Seagram, of the federal government's support.

While the government House leader is tabling a motion to establish a special committee to develop a code of conduct for parliamentarians, that same government violates the most basic rules of democracy by favouring friends of the Liberal Party and by governing on behalf of the Canadian financial establishment.

Another example which illustrates the political trickery of the red book, and which also shows the flaws of Bill C–43 regarding the ethics counsellor, is the letter sent by the heritage minister to the CRTC, supposedly an independent body under his authority, in support of a licence application.

It must be remembered that the Prime Minister waited more than three weeks before seeking the ethics counsellor's advice on this sensitive issue. How can we not come to the conclusion that the Prime Minister cares little about the ethics counsellor and, therefore, about ethics?

The Liberal leader simply wanted to save face. The appointment of an ethics counsellor and the Liberals' campaign promise to that effect were supposed to give the public the impression that the government is really doing something about restoring the integrity of our institutions.

In the West, democratic institutions are now facing a crisis in public confidence. It is clear that in the future, it will be necessary to restore the trust that should exist between governments and the public they serve. This means public policy must be discussed, debated, influenced, changed and identified in a process that is absolutely open and transparent.

This is one of the concerns that goes to the very heart of the kind of society we want for Quebec. The federal political scene has for too long been dominated by the political scheming of the Liberals and their friends. The acknowledged expert on scheming and adumbration in the political arena is unquestionably Pierre Elliott Trudeau.

As Professor Guy Laforest explained, this bourgeois aristocrat, this lackey of Canada's financial establishment and anti–Quebecer managed, during his many years in power, to establish close ties between the Canadian financial establishment and the Liberal Party. This political and financial network is the engine of Canadian Liberal ideology, a political perspective that makes every effort to isolate Quebec, to take away its distinct identity and make it a part of Anglo–Canadian culture.

It is easy to identify the members of this political and financial network. They are the ones who keep referring to "the most beautiful country in the world to govern". The present Prime Minister is this network's new lieutenant. We have the Minister of Foreign Affairs, who is responsible for Quebec. And remember Eddie Goldenberg, the Prime Minister's trusty adviser, who happens to be the son of Carl Goldenberg who helped Pierre Elliott Trudeau draft his bill for patriation and a charter of rights in the summer of 1967.

• (1520)

The Senate still harbours Leo Kolber, one of the Liberal Party's great bagmen, childhood friend of Charles Bronfman and member of the board at Seagram. Mr. Kolber is also a friend of Tom Axworthy, who was Mr. Trudeau's former chief of staff and is the current Minister of Human Resources Development's brother and the manager of The CRB Foundation, which was set up by Mr. Bronfman. As we know, The CRB Foundation is greatly involved in promoting Canadian nationalism. And Paul Desmarais, Charles Bronfman's equal, is still in Montreal.

As Professor Guy Laforest wrote: "—by boards of trustees and collaborators, their networks are interlaced. The Liberal planet finds everything it needs in its network. John Rae, one

of the key people at Power Corporation, was one of the most important strategists behind the campaigns of the current Prime Minister of Canada''.

It is the financial interests of the richest Canadians which govern Ottawa, not the elected representatives of the people. They are all following in Pierre Elliott Trudeau's tradition, and that is having a one track mind when it comes to Quebec: having Quebecers assimilate anglo–Canadian values as quickly as possible.

Before our very eyes, once this government got to office, it considerably diluted commitments it made in its red book during the 1993 election campaign. Such an about face raises in the minds of the public a legitimate doubt about whether the Liberal government truly intends to legislate ethics in Parliament.

The Bloc Quebecois, the official opposition, believes that, to re–establish the integrity of our democratic institutions, we must put a stop to the empty promises of the past 30 years to legislate parliamentary ethics.

In addition, the administration of the affairs of government must be as transparent as possible in order to eliminate the grey areas and to ensure Canadians that public policy decisions reflect the general interests of the people and not those of powerful lobbys. However, with the Liberals in power, the reality of the matter is something else.

In the context of Bill C–43 governing the registration of lobbyists, the lobbyists increased their meetings in the months before the tabling of this bill. Others threatened suits if the law forced them to disclose their political ties. In this instance, as in others, a lack of transparency prevented the people of Canada from knowing the extent and the nature of lobby activities with regard to Bill C–43.

We have to admit that Bill C–43 as it stands will not likely prevent such troubling events as those surrounding the privatization of Pearson airport or the business involving the Minister of Canadian Heritage. Worse yet, according to Mitchell Sharp, the Prime Minister's principal adviser on matters of ethics, even if the legislation arising from Bill C–43 had been in effect at the time of the discussions on the privatization of terminals 1 and 2 at Pearson airport, the public would have been none the wiser.

The Bloc Quebecois, the official opposition, presented more than twenty amendments in committee on Bill C–43. They were rejected by government members who had not even been at the hearings or taken part in discussions in recent months.

We were also hoping, good players that we are, that the new rules, or at least the approach taken and the commitments made by the Liberal Party of Canada in its red book would permit in depth discussion of this issue, so vital to a democracy.

However, we have to admit that the Liberals' intentions with regard to transparency and ethics are those of the Bronfman, Seagram and Power Corporation families. These measures serve solely to impress, with the government using all kinds of lofty language to keep up appearances for political reasons.

Once again, the federal Liberals' version of history is written on the backs of the country's most disadvantaged, and, just as obviously, on the back of Quebec.

[*English*]

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I should like to ask the hon. member for Richmond—Wolfe a question about an incident that occurred in the House a while ago. Perhaps it is a sensitive issue for him. I pose this question with all due respect. It is about integrity. It is about respect. It is about his feeling of frustration.

• (1525)

One day when asking questions in question period he became frustrated with either the answers or the commentary or the behaviour of a minister of the crown or the representative of the minister of the crown. I wish the member would share his experience with us of the incident in which he stuck to his guns and was asked to leave the House. He had to go through a lot. I think it is an example of the lack of integrity displayed by certain ministers of the crown. If he would like to share that incident with us and tell us his true feelings about it, I think it would be another example of the lack of integrity of the government.

The Acting Speaker (Mr. Kilger): Before I give the floor to the hon. member for Richmond—Wolfe, I agree with the member for Calgary Centre that he raises an issue of great sensitivity, but I feel very strongly that we are on the edge.

I want to mention a fact regarding the incident being raised. Had the member withdrawn, the Chair would have deemed the matter closed and would not have allowed the question to continue. I will listen attentively to the reply of the member for Richmond—Wolfe.

[*Translation*]

Mr. Leroux (Richmond—Wolfe, BQ): Mr. Speaker, first of all, I want to thank my colleague for addressing this issue because, as I just said, today, the Reform Party launched a debate on a fundamental exercise in democracy, that is, openness in government, the role of MPs representing their fellow citizens and constituents, and the possibility for each member to do his or her job honestly and to act in accordance with his or her principles.

As for my experience as a member of Parliament, I think I have been guided by the desire to do my job very openly and honestly. I have been guided by this desire, although I was troubled for a while in this House to hear comments, opinions

and answers that went this way and that way, that were contradictory. It was obvious to me that everything was far from clear and open in this matter.

My conduct as a member of Parliament has been guided by the desire to be honest, to act in accordance with my principles, and to represent my constituents in a responsible manner. To allow MPs to do their job properly, the government must be open and answer straightforward questions truthfully. I thank the hon. member for his question.

[*English*]

The Acting Speaker (Mr. Kilger): Mr. Speaker, I want to add a brief comment. Without expressing a view for or against the opinions of either member who just had the floor, I appreciate the way both members handled the question and the answer on a very delicate and sensitive matter.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, first of all, I want to commend the hon. member for Richmond—Wolfe for his excellent presentation. He correctly identified all aspects of the problem. He reminded us that the official opposition had proposed amendments. I want to ask him a question which, in my opinion, is related to the issue. As he said himself, many people seem to have lost confidence in government because they see links with large corporations.

Does the hon. member think that there is a way to change this, if only symbolically, for example by providing that political parties should be financed only by individuals and that businesses should not be allowed to contribute?

• (1530)

Mr. Leroux (Richmond—Wolfe): Mr. Speaker, I thank my hon. colleague for his question. Indeed, the hon. member for Lévis raises a fundamental issue relating to the democratic process and the ability of a government, opposition or third party to intervene in public interest issues or matters with maximum latitude and independence from lobbies, financial networks or any form of lobbying. One approach developed by the Quebec government and put in place following years of extremely aggressive and stormy debate was party financing.

It is clear that when, in an effort to raise funds to pay its for publicity, promotion and propaganda bills, a political party has to go to large corporations and major financial concerns and that there are no regulations as to how much money can be raised and from whom, this party may find itself in an extremely difficult situation or literally have its hands tied if and when it becomes the government or the official opposition. There is no way that a political party that gets hundreds of thousands of dollars from institutions and corporations can act with complete freedom once in office. It is just not true.

What happened at the federal level when it was suggested that election campaigns and political parties be funded through donations from the public at large and not from large corporations or labour associations? The federal government never had the courage to amend the provisions of the Election Act dealing with party financing. In that context, while governed by a federal legislation that does not contain any restrictions, yet refusing to be attached to any financial concern, the Bloc Quebecois decided on its own, during the last federal election campaign, to operate under the Quebec legislation providing for political parties to be funded solely by donations from the public. The Bloc never accepted donations from businesses or organizations.

With respect to my hon. colleague's question, it is obvious that as long as this government will not take the necessary steps—and the first one is party financing—to free itself from the hold of Power DirecTv, the Bronfmans and the Seagrams of this world, with or without a code of conduct, it will continue to have its hands tied by these major financial concerns and the lobby of backroom boys.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am very pleased to take part in the debate this afternoon. I heard a few speeches earlier, including the one made by the hon. member for Richmond—Wolfe, whose arguments were completely out of line.

The member made all kinds of suggestions on other bills before the House, but not on the issue being debated today.

The motion tabled by the hon. member for Kindersley—Lloydminster, reads:

> That this House condemn the government for its failure to keep its Red Book promise to make the government more open and permitting Members of Parliament to be more accountable to their constituents.

[*English*]

Mr. Abbott: What a great idea.

Mr. Milliken: Frankly this is one of the silliest motions we have debated in this Parliament. It is based on a completely false premise about what the government has done in the time it has been in office. There has hardly ever been a government in Canadian history that has so fulfilled the promises it outlined at the beginning of its mandate.

• (1535)

In 30 some years of being a participant in this process I cannot think of another document that has so affected the lives of Canadians and so directed the operations of a govern-

ment than this red book has done. It has been a guide book of promises that the government undertook to do and it has kept the promises.

I want to quote from the red book because it is extremely relevant to the motion before the House. After all the motion does mention this little tome. I will read the whole section on parliamentary reform. I know this may be a little long for the concentration of members opposite but I want to read it in any event.

> In the House of Commons, a Liberal government will give MPs a greater role in drafting legislation, through House of Commons committees. These committees will also be given greater influence over government expenditures. More free votes will be allowed in the House of Commons, and individual members of Parliament will be involved in an effective pre–budget consultation process. We will establish mechanisms to permit parliamentary review of some senior Order–in–Council appointments.
>
> The pension regime of members of Parliament has been the focus of considerable controversy. It is now the subject of an independent review, which Liberals support. We believe that reform is necessary.

Mr. Abbott: So why didn't you do it?

Mr. Milliken: If the hon. member would just be patient and listen.

Mr. Abbott: I have the same copy right here.

Mr. Milliken: I am glad to hear it. The hon. member only has a page. He should take the whole book home and keep it under his pillow. He might sleep better.

> Whatever the results of the independent review, a Liberal government will reform the pension plan of members of Parliament to end "double–dipping." MPs should not be able to leave office and receive a pension from the federal government if they accept a new full–time paying job from the federal government. In addition, we will review the question of the minimum age at which pensions will begin to be paid.
>
> When the Conservative government came to power in 1984, while citing the need for economy it nonetheless found the resources to increase both the size of political staffs and the pay available to them. These expansions created bloated political budgets and inflated salaries for members and friends of the Conservative Party. A Liberal government will reduce the size and budgets of ministers' offices and the Prime Minister's Office by at least $10 million a year.

I challenge hon. members opposite to find one statement in that whole paragraph on parliamentary reform that has not been fulfilled by the government to date. The government has moved on every single one of its promises and it has gone further on most of them.

Hon. members opposite who have been bleating, whining, blithering and crying all day should repent. Get off it, I say to them, and face the facts. The government has lived up to its commitments in full measure. They were all in the red book. They were all made manifest for the public to look at and consider in an election campaign. The public voted for the red book in droves.

I know members in the Reform Party in particular do not like to hear that fact. They like to hear only the facts from their own perspective, their own friends. Their idea of consultation is to consult their friends and then say this must be what everybody wants. There are Canadians who are not friends of the Reform Party. There are lots and lots of them where I come from. I know lots and lots who think the Reform Party is quite idiotic. Still they are not the people to whom Reformers talk when they want a consultation.

I want to read why Canadians and particularly the poor souls that have been following the Reform Party have been so badly deceived. We saw this kind of deception go on in the House the other day. I know I cannot imitate the accent but the quotation is this. It was on April 27 in the House:

> One of the reasons there is so much public cynicism about politics and government is that governments consistently break their promises.

Some hon. members: Hear, hear.

Mr. Milliken: You can tell that is a perpetual opposition party, Mr. Speaker.

> This Liberal government, for example, is not yet two years old but already it has littered the political landscape with broken promises.

This is a falsehood. This is completely untrue. I have just read the whole section of the red book on parliamentary reform and we have complied with every single one of the promises and then some. Yet the member for Calgary Southwest had the nerve to get up in the House and utter this complete rubbish. I can only imagine how much worse it is when the hon. member is off speaking to his supporters at meetings around the country. They have been thoroughly, totally and utterly deceived by the hon. member. If they would simply invite me to some of their meetings, we might straighten some of them out. I can name about 176 other members of the House who could do a similar straightening job on some of the members of the Reform Party.

• (1540)

I want to turn to the explicit promises with which we have complied. First, there was the promise that committees be strengthened, that members be given a greater role. We have just been through a procedure in the procedure and House affairs committee where we drafted a bill. I was before the Senate committee this morning on behalf of the committee defending the bill. It was the one drafted in committee. It was adopted by the government and then passed in the House.

Bills have been referred to committee under the new procedures that we adopted in the House shortly after we took office where the bill is referred before second reading. Members have full scope in the changes they wish to make to the bill. The Lobbyists Registration Act is a perfect example and there are others. We are going to do it with the CNR bill on

Monday. This has given members of Parliament untold powers in respect of that legislation which were not exercised or exercisable in the last Parliament.

Hon. members in the Reform Party were not here in the last Parliament. They do not know how bad it was. They do not know how good this is. They do not realize how much they are getting out of this. If they had been here before, their complaints would be cut in half today.

The President of the Treasury Board introduced changes in the expenditure management system so that committees can become more involved in the spending priorities of the government. We are about to embark on that process in the committees very shortly.

We have opened up the process. We have given more power to committees and I need not recite for members opposite the changes to the budget process where the finance committee travels Canada to hear Canadians' views on the budget.

Mr. Abbott: Then they come back with their own recommendation.

Mr. Milliken: Of course they do. What do you set up a committee for but to come back with its own recommendations? At least they listen, which is more than I can say for the hon. members opposite.

I want to turn to the question of free votes because hon. members are suggesting that somehow we have very few free votes. I note it was a red book promise. I just want to talk about how well we have delivered on that promise. Every private members' bill and motion has been a free vote. We have had dozens of them and they have all been free votes.

The members of the House, unlike the last Parliament—hon. members opposite were not here and do not know how bad it was—have had an opportunity to vote on all these bills and express their views. We will continue to do that. There may be times when other matters will be the subject of a free vote but we were elected on a platform, the red book. It is right here. The promises are there.

If members were elected to serve in this Parliament based on that platform, they are expected to vote for the things contained in the platform. That is the way political parties work. The Reform Party knows that is the way it works. Its members tried to do it with their little blue book but unfortunately they have not kept their promises, unlike the government.

It is quite hypocritical of the Reform Party to put forward this motion. We have seen during recent debates how members of the Reform Party perceive it to be their duty to represent their constituents' interests. Our constituents voted for the policies in the red book. Our constituents are getting delivered to them the promises that were in the red book.

The complaint we are getting from the Reform Party in this motion is that the Reform Party wants us to adopt their policies and say that is what we promised to Canadians. It is not what we promised. We promised something different, something a whole lot better. What Canadians are getting is what is in the red book.

I want to turn to gun control as a perfect example because this bill has widespread support across the country.

Mr. Abbott: Not in my constituency.

Mr. Milliken: The hon. member should get the attorney general of Saskatchewan to do a poll like the attorney general of Alberta did. The poor old attorney general of Alberta came to Ottawa to complain about the bill, having conducted a poll that discovered 64 per cent of the electors of his province do not agree with him.

The poor soul must be gravely misguided, if not something worse. I can only suggest to the hon. member that he take a good look at what is happening in his constituency and conduct a proper scientific poll, not one of the pay as you phone in polls for which the Reform Party is so well known.

• (1545)

I want to turn to the hon. member for Edmonton Southwest, who is here, I am delighted to say. I know he is a caring person. He conducted a poll in his riding and I understand he may have recanted his heresy at second reading and will now support the government on the bill. I congratulate him for showing a little independence of judgment. It is very rare on that side.

The hon. member who is doing all the hooting and hollering over there should talk to the hon. member for Edmonton Southwest and conduct a poll in his riding and he might find himself constrained to vote with the government as well.

The Reform Party is well aware—as is the hon. member for Kindersley—Lloydminster, of all members to have moved this motion, because he is on the procedure and House affairs committee—that we looked into all these things like free votes, recall, initiative, and referenda. We called witnesses and heard experts on all these subjects in the committee. We considered the matter and the committee tabled a report in the House. The majority of members of the committee disagreed with the Reform Party position and thought that referenda were unnecessary on a massive scale in Canada, that recall was not an idea worthy of importing into the political climate of the country at this time, and that initiative was unneeded. Reform members disagreed, but it does not mean we were wrong. It certainly was not something we promised in the red book.

I encourage hon. members of the Reform Party to live up to the promise they made on their little blue book to publish the results of their caucus meetings and the votes in caucus. I see the hon. member for Calgary Centre has one. Those things are rare as hens' teeth. When we consider how many of the promises have been broken, I can understand why.

I have a book here that I would be glad to share with the hon. member, and Canadians would love to read it, "The Little Book of Reform"; it is a green book. I will quote from it. I know this may not be popular with the hon. members opposite, but I will find a quote in here as I continue speaking.

The Acting Speaker (Mr. Kilger): While I am on my feet the member might find that quote.

I would not want the House to think there is any inconsistency on the part of the Chair with regard to props. Understanding of course that the motion today brought forward by the Reform Party on this allotted day specifically makes mention of a particular book, certainly I understand that it will have a greater and wider use than it or any other book normally would. If any other books are used, of any colour or for whatever reason, please quote from them before you do anything else.

Mr. Milliken: Mr. Speaker, that is fine. I appreciate the opportunity to have a chance to check for the right chapter.

This book is also entitled "The Gospel According to Preston Manning and the Reform Party". I quote the hon. member for Cariboo—Chilcotin. This is openness in government: "For goodness sake, Jack, don't say things like that. We have a reporter in the car." That is a good quote. I suggest that reflects the Reform notion of openness in government. He was in the House a little while ago explaining a mistake he had made in debate earlier this morning to the hon. whip, who caught him up on some facts he had got completely wrong about some appointment. I suspect if there had been a reporter nearby he might have been more careful in his remarks.

I want to turn to the one other thing that happened with respect to free votes. We adopted a motion in the House about free votes. The hon. member may have forgotten. It was a motion proposed by the hon. member for Mission—Coquitlam. I quote the motion, because it was adopted unanimously, if I am not mistaken, in June 1994, in compliance again with the red book and our notion of free votes:

> That, in the opinion of this House, the government should continue increasingly to permit members of the House of Commons to fully represent their constituents' views on the government's legislative program and spending plans by adopting the position that the defeat of any government measure, including a spending measure, shall not automatically mean the defeat of the government unless followed by the adoption of a formal motion.

That was all agreed to. There is no doubt that free votes are permitted and that they happen. The hon. member should be relieved by the fact that they happen on a daily basis.

• (1550)

Now I will turn to public consultation, because it is another area where the government has excelled. It has undertaken the most comprehensive consultative exercises to ensure that the views of the Canadian people are represented in legislation that is brought forward in the House. There have been broad national consultations on immigration policy, social policy review, gun control, and on two federal budgets. The result is policies that Canadians support and a government that Canadians respect in record numbers.

This is far from the Reform idea of consultation. We witnessed something of its idea when one of its members travelled to Washington to consult with Americans who agreed with him. That is its idea of consultation. It opposes is trips where you might get exposed to somebody with ideas that are different from your own. When it can take a trip and meet with people who think exactly the way it does it goes. That is the Reform approach to travel.

Mr. Morrison: If you pay your own bills.

Mr. Milliken: I see, it is pay your own way. I am delighted they pay. Even if Reformers went at the public expense, all they want to do is meet with people who agree with them. I am sorry that is true, because I think part of the job of members of Parliament is to listen to all views. It is something that we on this side of the House try to do whenever we visit our constituencies. We meet with constituents whose views are not the same as ours. We talk to them, share their views and hear what they have to say.

Mr. Morrison: Then you tell them.

Mr. Milliken: We tell them our views. I am not afraid to discuss my views. I tell people what my views are.

When they learn that the public supports a government bill, Reform members make excuses, ignore the wishes of their constituents, and vote against the bill just for the sake of opposition. I thought we were going to see a change.

I cannot quote chapter and verse from the blue book because I cannot find a copy. The hon. member keeps waving it, but I do not have a copy. Perhaps he could send me one another day.

One thing I recall from the blue book was that we were not to do things in Parliament the way we used to. My goodness, I am having trouble telling the difference between the party in opposition and the New Democratic Party when they occupied a similar position.

One only has to look at the record of the Reform Party in its consultations, particularly with aboriginal groups. We have seen the spectacle of its meetings in British Columbia recently where it was discussing aboriginal land settlement issues and it did not invite any aboriginal people to come to the meetings. I think it is a poor way to carry on consultations.

I want to turn to the ethics counsellor and the whole question of ethics, which is indirectly raised—

Some hon. members: Oh, oh.

Mr. Milliken: Mr. Speaker, honestly, the braying on the other side is excessive. I believe my time is about to run out.

The government has lived up to its commitment to provide more open and accountable government by setting up the ethics counsellor and introducing the lobbyists registration bill. The government also has proposed a special joint committee to develop a code of conduct for members, which motion has been opposed by the Reform Party and stalled in the House by the actions of the Reform Party. Obviously, they do not want the House to come up with this set of criteria of ethics guidelines for members, which I think is important and I would like to get on with.

We have to look at the record of the government overall. I think it has been excellent.

The member for Kindersley—Lloydminister in his speech this morning complained about the government's use of time allocation. Honestly, if the hon. member had been here in the last Parliament he would have learned a lot about time allocation and closure. There are two rules, which the hon. member should know. We have not used the closure rule recently. I do not know whether we have used it all in this Parliament. We have used time allocation. I can only say that if the members had been here the last time, they would think life in this Parliament is bed of roses. It was used by the government on repeated occasions against the opposition at that time. It has hardly ever been used in this Parliament.

Members opposite have got off very, very lightly in respect of the government's approach to the House. We have deliberately tried to allow members to express their views on all these things. Hon. members opposite have had ample opportunity to make their views known, not just on government bills but in other debates.

I would love to go on about some of the other aspects of legislation, but unfortunately I see my time has expired. There are questions and comments and I will be glad to answer questions from the hon. members opposite.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I listened very closely to the hon. member for Kingston and the Islands. I noticed in particular that, according to him, all the decisions made by the Liberal government so far were in keeping with the promises in the red book.

• (1555)

I wish to remind the hon. member that, during the election campaign, the current Prime Minister, who was then Leader of the Opposition, was against free trade and in favour of GST reform and said that he would not touch social programs and transfers to the provinces. But we know what happened to all these resolutions. The Liberal government did just the opposite.

I remember another matter that was widely discussed during the election campaign, especially in Ontario, namely the Pearson airport deal. It is one of the areas in which the former Tory government had to pay for its poor performance under the circumstances, since the Liberal Party had promised to review the matter. Yet, once in power, the Prime Minister appointed Mr. Nixon, a former Ontario finance minister, to look into this deal. During the investigation, Mr. Nixon himself said that there might have been certain irregularities due to lobbyists.

A little later, the ethics counsellor, who reports not to the House of Commons but to the Prime Minister, admitted at committee meetings that Bill C–43 would not have changed anything regarding the misconduct of lobbyists in the Pearson airport deal. He said himself that it would not have changed anything. Yet, the hon. member for Kingston and the Islands brags about the merits of the bill.

I have two questions for him: First, how does he explain that it took the government 18 months to table this bill with the Pearson airport deal in the background, when the information obtained under the Access to Information Act reveals that Bill C–43 has been modified and is not in keeping with Liberal promises, precisely because of lobbyists' influence? I would like him to answer this question.

Mr. Milliken: Mr. Speaker, the hon. member misunderstood the circumstances. First of all, I must say that the Minister for International Trade is here and that he is the one who made the necessary changes to NAFTA so that we could support it. That is why the Prime Minister promised during the election campaign that the agreement would be changed. The Minister for International Trade, an excellent minister, made all sorts of changes to the agreement so that it could be passed in this place. That is my first point.

Regarding Bill C–43, I must tell the hon. member that this bill was introduced in this House June 16 1994. So, this is not brand new. If we had problems with this bill, getting it passed in this House and all, it was because of the hon. members opposite filibustering, talking endlessly and showing such a keen interest in this bill.

[*English*]

I say to the hon. member do not criticize the government for being slow and bringing it in 18 months after we took office. We introduced it six or seven months after we took office. It has taken almost a year to get it passed because of the obstruction primarily of members on the other side of the House, because we have not put up an inordinate number of speakers on the bill.

Since the hon. member touched on something else the Prime Minister promised, which was transfer payments to the provinces, the Prime Minister indicated there would be ample notice of changes in those transfer payments. He never promised they would remain the same or always increase, and he has lived up to that promise fully.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, as Canadians from coast to coast know by now, the holy grail of the Liberal Party is its now infamous red book, otherwise referred to as the dead book—cold and getting clammier as each day goes by. I remind members opposite the infamous red book is a two edge sword. It will also hold them very accountable for what they have not done which they had promised to do.

• (1600)

My question to the hon. member for Kingston and the Islands, and I ask it most seriously, has to do with the efficacy of using the red book, primarily an election document. It was a compilation of promises put together in a binder. It was a method of appealing to voters and saying this is how they could get elected.

In the last election the Liberal Party gained 177 seats, a vast majority in the House. It did so by getting something in the order of 41 per cent of the total votes cast.

An hon. member: It was 43 per cent.

Mr. McClelland: The hon. member opposite tells me it was 43 per cent. I am wondering if the hon. member for Kingston and the Islands would speak about the integrity and whether it is right, proper and appropriate to foist on Canadians holus–bolus the Liberal election document as a mandate for change when that party received 43 per cent of the total votes cast. It is nothing like a majority.

The Acting Speaker (Mr. Kilger): Given the brevity of the question from the hon. member for Edmonton Southwest, I will take an equally brief question from the hon. member for Kootenay East and the parliamentary secretary can respond to both.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, in reading from this holy grail, the red book, the chapter "Governing with Integrity", it says the erosion of confidence with public servants, the members of Parliament, seems to have many causes. Some have to do with the behaviour of certain elected officials, others with an arrogant style of political leadership.

I wonder if the parliamentary secretary agrees the justice minister, particularly today, showed a tremendously arrogant style when he completely dismissed the question of my colleague from Macleod in saying doctors supported objectives of the firearms legislation when he knows full well every Canadian supports the objectives of the firearms legislation, when he would have known that: "The CMA, however, is unconvinced that the registration provisions proposed in Bill C–68 will be effective in reducing suicides or homicides because they seem to concentrate their efforts on that group of users which poses the least risk to society".

Does the parliamentary secretary not agree this is a very clear cut case of the Minister of Justice showing an absolute arrogance on the part of the Liberal government when he misquoted the CMA?

Mr. Milliken: Mr. Speaker, I will deal with the questions in the order in which they were put.

The first question suggested promises in the red book were being foisted on Canadians who did not vote for the Liberal Party and that because we have a majority in Parliament we should not foist the red book on members of the public.

The hon. member, and I know he is one of the few reasonable members of his party, would agree we are at least operating on a blueprint. The red book was not just a series of election promises, it was a blueprint for action when we took office and it was advertised as such by the party. In putting it into place in government we are doing exactly what we said we would do with the 177 members elected as Liberals because they were relying on the red book and putting it forward as their policy.

The problem the hon. member raises is not one he put in his question, but his colleagues would know this is the case. They want us to put in place the policies in the blue book and the policies they are espousing in the House which had the support of far fewer Canadians.

In the circumstances we are probably doing the right thing in the context of the democratic system under which we have operated in Canada for the more than 130 years we have been in existence. I will leave it at that.

With respect to the Minister of Justice and the phoney allegation of arrogance, the Minister of Justice is far from arrogant. We would be hardpressed to find a Minister of Justice who has done more consulting in respect of this bill and who has a firmer grip of the facts on which he bases his acts than the present Minister of Justice.

• (1605)

The hon. member in his question is showing considerable contempt for his electors when he indicates to the House he is not supporting the gun control bill.

I quote from an article written—

Mr. Abbott: I am showing contempt for my electors?

Mr. Milliken: Contempt for your voters, I say to the hon. member.

Mr. Abbott: My voters? Right.

Mr. Milliken: I quote from a *Globe and Mail* column this morning by Jeffrey Simpson. Jeffrey Simpson is not a friend of the Liberal Party. He used to write Tory campaign tracts in his articles in the *Globe and Mail*. He is certainly one of the better known journalists in Canada:

> Shoulder to shoulder with the gun lobby, Reformers spout nonsense about gun registration being a plot to curtail liberties.
>
> This week one of the genuinely stupid ideas of our time made its appearance on Parliament Hill when the attorneys general of Saskatchewan and Alberta suggested that their provinces be exempted from the gun control legislation. Yukon joined in this madness.
>
> Not content with one stupid idea, the provincial interveners produced another. This harebrained idea has been offered before on other issues.

In other words, he went through a series of things he thought were pretty stupid. Every single one of them is supported by the Reform Party.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I am very pleased to rise today to address the Reform motion that the House condemn the government for its failure to keep its red book promises to make government more open and accountable.

The Reform Party in 1988 compiled a book of principles and policies, which is probably one of the first political parties to ever put its policies and principles in writing and make a commitment to the Canadian public. On page eight it states:

> We believe in the accountability of elected representatives to the people who elect them and that the duty of elected members to their constituents should supersede their obligations to their political parties.

I will predict that within the Liberal caucus when it votes on Bill C–41, the sentencing bill, there will be members who will wish to vote against the government but they will not be allowed to for fear of being kicked out of caucus or off the standing committees.

When it comes to Bill C–68, the gun control bill, some members of the caucus will want to vote against the government. They will have to toe the line or get kicked out of caucus.

Unlike Reformers, they will not be able to fulfil the wishes of their constituents. On this side of the House on both those bills members will vote the clear wishes of their constituents, established in a fashion that has shown and expressed a complete communication system with them, not a poll taken a year and a half ago and then coming out with a law like this gun control bill.

In my original speech I was to speak about how the Liberal government whip has punished, castigated, disciplined, reprimanded, reproached, scolded and penalized several Liberal members for bucking the party line and reflecting the views of their constituents. My colleagues have covered all that. We know about that. The Canadian public knows all about that.

After hearing the government whip's diatribe about Liberal ethics, which I believe is an oxymoron like Progressive Conservative, and hearing about how Liberals are spearheading a special joint committee to develop recommendations for a code of conduct for politicians, I cannot resist making a few comments directed at the Liberal whip.

In typical planet Ottawa fashion the Liberals will study the issue of accountability and review the concept of openness under the guise of a special joint committee. The committee will be comprised of seven members of the Senate and fourteen members of the House of Commons who, along with countless support staff, will travel across Canada and the world to study how other governments hold their representatives accountable. It sounds very important.

Canadian taxpayers will wave goodbye as their brave representatives, along with their entourage, sail off to foreign lands to find out how their politicians conduct themselves.

From experience I know the Liberal members of this committee will constantly utter cliches like "what we need is effective inputs for effective outputs". My favourite is from the Minister of Finance: "What we are trying to do is square the circle with this budget".

That is how governments play up politics in Ottawa with touchy issues like accountability and openness. They study them. The Tories did it and now the Liberals are following suit with their code of conduct committee. It sounds good, looks good but does not do anything.

• (1610)

Reform wants to bring back some sanity to this process. We can give rule number one for code of conduct without even leaving the Chamber and without leaving the shores of this land: do not waste Canadian taxpayers' money on needless junkets.

In 1987 the Ontario Supreme Court found the former cabinet minister Sinclair Stevens had breached the Canadian conflict of interest rules on 14 different occasions prior to his

resignation in 1986. As a direct result the Mulroney government introduced a conflict of interest bill for MPs which unfortunately died on the Order Paper at the end of the parliamentary session. A similar conflict of interest bill was introduced in the next session. It too died on the Order Paper.

As a result of these failed attempts, the Mulroney government created a special joint committee of the House of Commons and Senate to study the issue. Does that sound familiar?

A lengthy study of issues like conflict of interest and accountability was conducted. Witnesses were heard. Testimony was given. A 60–page report was submitted to the House and the Senate. Among the major recommendations was that an independent office be created, the holder of which would oversee the disclosure of assets and liabilities of both the members of the Senate and the Commons and act as an adviser to parliamentarians investigating possible breaches of the act. Does this sound like an ethics counsellor?

The report also recommended clear procedures be established requiring members not to vote on issues in which they have an interest.

These are a few of the recommendations of the 60–page report to the Mulroney government in 1992. Nothing has changed. The hon. Liberal whip was a member of the committee at that time. Now it appears we will spend more money and send another group out to do exactly the same thing. Can he remember what the witnesses said? Can he remember what they told him? I do not seem to recall "vote Liberal and we will reinvent the wheel" in the red book.

It is obvious the Liberals have already attempted to act on a recommendation of the 1992 report which I mentioned earlier. They appointed an ethics counsellor. However, they did not follow through with the full recommendation in their red book. The ethics counsellor does not answer to Parliament. That is a sad disgrace. That lacks integrity. That smacks of misrepresentation.

The Liberals observed this in opposition and subsequently incorporated the recommendations made to the Tories in their red ink book. I have no problem with a party picking up the ball and running with it if it has been fumbled by another party. The Liberals are very good at borrowing ideas from other parties like the Reform Party on the budget.

However, I do have a problem when they waste money to play politics with an issue so they can sell it as their own idea and initiative.

The groundwork for a code of conduct was laid in the last Parliament. Surely the issue of ethics has not changed that dramatically in the past three or four years. The only problem was that the Mulroney government lacked the intestinal fortitude to act on any of the recommendations of the code of conduct.

[*Translation*]

Mr. Morrison: The more things change, the more they stay the same.

Mr. Silye: Indeed.

[*English*]

The Liberals want to be able to use the creation of yet another special joint committee as ammunition in the next election. The Prime Minister will stand in front of voters and talk about how Liberal ideas and initiatives have restored an integrity to the parliamentary system in Canada as a fait accompli. He will speak of how they established a special joint committee to study the code of conduct for MPs and report to both federal Houses. Finally, the Prime Minister will take great pride in the establishment of an ethics watchdog to scrutinize the conduct of Canada's politicians.

People in the real world will think that sounds pretty impressive. They should think again. The Liberals still will not concede any control over the scrutiny of their affairs, as we have witnessed and seen with the conduct of three or four cabinet ministers, two or three members of Parliament of the Liberal caucus. Nothing has been done according to the usage of the ethics counsellor in applying the rules of conduct that currently exist at all the various levels. It is a scam, a sham and a disgrace.

The ethics watchdog they appointed is a lap–dog with no teeth. The bottom line is you do not appoint somebody to scrutinize your activities and those of your colleagues. Where was the ethics watchdog during any of the three "Dupuy–gate" incidents? Nowhere to be found. Where was the ethics watchdog when the CRTC decision on direct to home satellite TV was suspiciously overturned by cabinet to the benefit of the Liberal family compact? The watchdog was nowhere to be found. I think the Liberals have lost their lapdog.

I truly gained some insight about how the Liberals are justifying the expenditure of more taxpayer money to create yet another joint committee on a code of conduct. While in opposition all these code of conduct bills were falling by the wayside. The Liberal government whip was on the committee that reviewed the Tory proposals, in particular its last ditch effort at a code of conduct, Bill C–116.

In his speech last Monday the Liberal whip referred to the difficulty he had reviewing Bill C–116. He stated:

> I realized that so much time had gone by that some documents were becoming outdated.
>
> For example, the report of the Parker commission on the dealings of Sinclair Stevens was just about forgotten and we did not have a clear recollection of its recommendations.
>
> It was not easy to examine the whole issue.

• (1615)

Let me put this into perspective for members of the House. We had the Liberal whip saying that it was difficult to debate the last Tory code of conduct bill because too much time had passed since the Sinclair Stevens fiasco, which started the ethics review process, to remember the specifics. Reports were dated. Sources were poor. Details were foggy.

The Sinclair Stevens report was released in 1987. In October 1992, five years later, the Liberal whip wrote an essay in the *Parliamentarian Journal* entitled "Members interests: New conflict of interest rules for Canadian parliamentarians". In the essay he quite clearly referred to and built his argument around Sinclair Stevens case, the very case he said in the House he could not remember.

The Liberal whip is using this memory lapse to justify the creation of a new code of conduct committee at great expense to Canadian taxpayers. If the Liberals want to send members to start a code of conduct review from scratch they should at least be up front about it. They should not feed the Reform Party the line that they cannot remember what was said in the past or that old reports are useless when it is quite clear that the member remembered. In fact his party used portions of the 1992 report in some of its policies and actions to date.

The rationale used by the government whip to justify the need for the joint committee reminds me of a child with a perfectly good bike trying to justify the need for a new bike to his or her parents.

They say: "It is too old. It is not working. I do not like it because it was not my idea. Let's steal this one from the Conservatives. Let's steal the other one from the Reform Party and call it ours". That is what the Liberals are saying about all the extensive code of conduct initiatives that have previously been undertaken. They want a new bike. They want a new special joint committee to show off to Canadian voters. The speech made on Monday by the Liberal whip is testimony to the fact.

The Reform Party is saying that in a time of fiscal restraint there is nothing wrong with using an old bike and the Liberals do not need to blow taxpayers money on a new one. We do not need to send politicians across Canada and across the Atlantic to develop ideas to make politicians more open and accountable. It can be done right here using the information we already have and the minds of those who were sent to Ottawa to do more than collect frequent flyer points, those who were sent here to think, to act and to accomplish.

If the Liberals are truly serious about scrutinizing the conduct of MPs, senators and cabinet ministers, the Reform Party will work with them in the House and in the procedure and House affairs committee. More important, the independent ethics counsellor should be able to enforce the rules without fear of repercussion from his boss, the Prime Minister of Canada: a watchdog that can bite and not just bark.

I cannot understand how the government plays games with words in the English language. It uses sophistry all the time, sophistry in terms of the budget presentation, sophistry in terms of Bill C–85, the MPs pension bill. Somehow because salaries are frozen is justification for $1 million, $2 million and $3 million payouts for life after six years of service and attaining age 65.

Why do government members not come clean with Canadian taxpayers, talk about truth and talk about the facts? They said that the ethics counsellor would be answerable to Parliament. They breached that. They have not done that. They are talking about promises in the red book. They are talking about holding politicians more accountable. The Prime Minister clearly breached that promise.

Nobody hears from the ethics counsellor. He never says anything. All we ever hear is the Prime Minister saying: "I checked with him and he told me it was okay". Where does an ethics counsellor fit into the equation? He is supposed to be there to make sure, when the minister of heritage writes a letter to the CRTC advocating that a certain constituent be considered as a recipient of a radio licence, that it is a breach of his responsibilities and not in line with what he is supposed to be doing as a minister of the crown, especially after he has sworn an oath that he would not interfere or try to influence agencies and boards that work for the government.

Where is the decision on that by the ethics counsellor? There was none. Is that fair to the Canadian taxpayer who is paying for a system that is there structurally but has no teeth to it? That is not the way the system should work. That is not integrity.

• (1620)

Is it integrity to rise in the House and continually shoot partisan shots at each other that do not have the facts behind them? All parties are guilty of it to some degree and we should stop it.

Mrs. Chamberlain: I agree.

Mr. Silye: I have some support from the Liberal benches.

Members of the House of Commons are elected not only to represent their party platform. When issues come up and they have to consult with their constituents they should be free to represent them and if they do not they are kicked out of standing committees like the three Liberal members were kicked out of the standing committee on justice because they could not support gun control. There are lot more, but those are the courageous ones.

The biggest hoax, the biggest issue in my mind that lacks integrity is the business of the double standard of a politician. It disgusts me. I have been in the private sector almost all my life, with the exception of the last 18 months. I was outside this fish bowl. I thought I could come here and make a contribution, make a difference, but it is very difficult.

Now I am inside the fish bowl with everyone else. I am finding that there are little red fish, little blue fish and little yellow fish swimming around. The national media is swimming around with us. We cannot even make a suggestion without it being distorted by a stupid headline and a stupid commentary. The people who write the articles are not the ones who create the headlines.

In question period ministers continually do not answer questions. Why? They say that it is not answer period, that it is question period. We are charging up about $1 million per year per MP in the House, and this is the quality of work we are delivering to the Canadian taxpayer. We should be ashamed that we do not pay attention to our responsibilities and to the work we should be doing here.

There are 200 rookies here. We have an opportunity to change things. Unfortunately we are the third party. We have already shown the courage and the intestinal fortitude to do what we said we would do.

We say the MP pension plan is terrible and overly generous, and we opted out. We are showing leadership by example. That is not so with these people opposite. I cannot believe the stupidity of some Liberal rookies who allow the veterans to talk them into trough regular: "For anybody in the previous government we cannot change that. We have to leave that and get a 6:1 ratio".

Then there is trough light: "We will cut back. We will only take 3.5 to 1. We will wait until 55 years of age. We will only put in 9 per cent. We will reduce our accrual rate. We will do all this because I guess you guys know what you are doing".

Then there is trough stout where the cabinet ministers can continually add more to their pensions than anybody else.

Where is the intelligence of those rookie Liberals, some of whom I have met, some of whom I respect and some of whom I know are much more intelligent than I am? I know some of them understand the issue much better than I do and agree with me privately but do not have the guts to say so publicly.

The Acting Speaker (Mr. Kilger): I know the hon. member for Calgary Centre has a great mastery of the English language. I would ask him to withdraw the expression he used—I do not think I have to repeat it—and to find another one that will be more appropriate.

Mr. Silye: Mr. Speaker, I stand corrected. I apologize for using the word. It is a slang expression that former football players used. I would replace it with intestinal fortitude.

Where is the intestinal fortitude to stand up to their convictions? Why is it that only Reform Party members are willing to take the heat from the national media to express their points of view? Why does the national media seem to support and encourage the status quo when everyone across the country wants change? They want reform. However, because everyone in the House is worried about the media hit, they are afraid to speak their minds. I am embarrassed. I am ashamed. It lacks integrity.

I do not want to speak to the veterans because they are coerced. They are finished. They have done it. They are has beens. They are millionaires. They are ready to collect at any time. However the rookies in the House have an opportunity to make a difference. The rookies in the Liberal government have a distinct opportunity to exert pressure in caucus on cabinet. Many members of the Liberal caucus are doing so. We read about them in the paper. They are the ones who are reprimanded for making democracy live and making the changes that Canadians want. They are the ones who are getting respect, not the ones who are following the line with the status quo. We need more of that. That is what this debate is all about. That is the point of the motion before us.

• (1625)

The Liberals said a bunch of things to get elected. The rhetoric was up here; the promises were way up here. They issued the red book in which the implementation of the rules was achievable. The targets were easy but still a double standard. The pension plan is still three times as good as those in the private sector but very achievable. They made some improvements.

Their promises were up here, to get elected. Everybody knows they campaigned on the pension plan. They were to make it the same as those in the private sector. They were to address it. What did they do? They made these little changes.

My point is that everybody in the House, especially the rookies, can make a difference. If we are to restore integrity to politicians then we in opposition have to hold the government accountable. I am holding rookie Liberal members accountable for their lack of solidarity in encouraging the government and ministers of the crown to act in accordance with what the Canadian public wants. They know what I am talking about.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I will comment on a couple of matters.

With respect to the ethics counsellor, the Prime Minister made a clear statement before the House that regardless of

any positions out there the one person in Canada who is responsible for the integrity of the government is the Prime Minister. That is our ethics counsellor and that is the person to whom Canadians should look. We have an ethics counsellor—that was an undertaking in the red book—whom the Prime Minister, as the member knows well, consults.

The member commented on the matter of gun control and the removal of members from the committee. The member will well know that the bill at that time was only at second reading. The purpose of the vote was to move that important bill to committee. There has been much more consultation, much more work, much more deliberation and much more debate. Amendments are forthcoming, as the member also well knows.

When a position comes forth from a government it is important that government policy be supported by its members. That is what was asked but it was not forthcoming. I believe the three members acknowledged that they had not given the process the full opportunity and that it was not really necessary for them to stop debate at that point and make a decision. There was more to be said on behalf of all Canadians.

The essence of the comments of the member concerned the credibility of the government and the credibility of members of Parliament. I read with some concern reports of the Reform Party's immigration critic who travelled to the U.S. capital on taxpayers dollars to attend a rally for presidential candidate Pat Buchanan. He was there and shared a platform with people who were saying that immigrants should be controlled, that immigrants were creating violent crime, reducing the standards of education and murdering their children. Here was a Reform member of Parliament, a critic of the party, sharing a platform before the public. What would the member say about the credibility of MPs when things like that go on?

I raise the example of the hon. member who just spoke. In the House he recommended that members of Parliament should receive $144,000 a year. Now he is back pedalling. If the member is concerned about the credibility of members with regard to their voting record, does he not think that the public expects the actions and the words of members to reflect the views and the interests of all Canadians?

I point out to the member that he has made calculations that would effectively double tax free expense allowances and somehow end up with a figure of $120,000. I understand the mechanics. The member has failed to recognize that if expense reimbursements on a pre tax basis are put in salaries those expenses will also be deductible for tax purposes. Therefore on the tax return the gross salary equivalent which the member has said is $120,000 in fact is only $92,000.

• (1630)

The member's credibility on matters of importance such as tax matters is also in question. The member should try to explain himself in terms of credibility.

Mr. Silye: Mr. Speaker, it sounds like we are back on a budget debate here.

With respect to the ethics counsellor it interesting when we point out that the Liberals failed to keep their promise in the red book. They promised that the ethics counsellor would answer to Parliament. The fact is he does not and it is to a registrar or directly to the Prime Minister. The Liberals say the best ethics counsellor is the Prime Minister and that he really is who the ethics counsellor is. That is our point. We do not have an ethics counsellor and the Liberal government promised one.

On the business of the Liberal caucus members who now claim to have not allowed the process to work, the member claims they agreed that maybe the process could work. The point is that a lot of people are saying the gun control bill will not reduce crime. Registration will not reduce crime. We already have a registration system in Canada. It has proven that it works better than the old system. Whatever level of crime we have it will not change based on registration. Criminals will not register their guns. A lot of people are saying that. That voice is not being heard by the Minister of Justice.

In terms of credibility, let us take the member's intervention here. How credible is it for a member to rise and say that one of our members, the immigration critic, took a trip to Washington at taxpayers' expense? That member himself knows there is no way that a member of Parliament, outside of cabinet, gets reimbursed for travel outside this country. It is only for travel within Canada that we get reimbursed.

If the hon. member has facts, I leave it up to him. He made an allegation. I would like to have him prove that our immigration critic went to Washington at taxpayers' expense, because that is the impression he is giving. Travel outside this country is not reimbursed. He knows that and I know that. That is an allegation not based on facts. It is just that type of partisan political comment that I think hurts the House and the reputation of politicians.

Then the hon. member went on to attack my own credibility. He charged me with back pedalling on a suggestion I made in the House. In terms of MP compensation and restructuring MP compensation which everyone in the House agrees with me privately that we should be undertaking he said that during debate last week I suggested that an MP's salary should be $144,000. I said that and I am not back pedalling on that. It is out of line for that to be defended by me outside the House. I said that in the House and I will still say in the House that we have to restructure MP salaries.

What this whole debate is about is not the amount of remuneration. It is integrity I am talking about. It is about honesty and the lack of the will of the government to address the very issue of MP pensions. It shows the lack of integrity of the government, the rookies, the veterans and everyone in the House who supports this MP pension plan. It smacks of trying to promote something by using the argument that our salaries are frozen so let us overcompensate here; we are undercompensated here, so let us overpay there.

The member who asked me the question has an accounting background. Now that I have everyone's attention by saying $144,000 in the House, and which went outside the House, let me say what MPs really get.

Those people who have been here for six years or more get $64,400. They get $27,000 tax free. If the bill goes through, they will get three and a half times what they are contributing to their pension now; $25,000 accrues to their account. That is their benefit, their asset. They get it when they turn 55 years. That represents $114,000. In the private sector no one gets $27,000 tax free. Gross that up and they are already getting $140,000.

My point is if someone wants to talk about integrity and have an open and intelligent discussion on MPs compensation, let us have it. If someone wants to talk integrity and have an open discussion on MP pension plans and why they can justify this obscene amount of money on a fat cat Cadillac pension plan, three tier, trough regular, trough light, trough stout, then let us have that discussion. However, to take these cheap shots smacks exactly of what I am accusing the majority of the members of the House, because the majority are Liberals. They are the government. They lack integrity and they should restore it.

• (1635)

The Acting Speaker (Mr. Kilger): That concludes the period of questions or comments to the hon. member for Calgary Centre.

Before I recognize the member for North Vancouver, I am going to take the initiative to raise I believe in part the same issue he wishes to address, which is the following. Earlier today I understand the House leader for the Reform Party informed the House that all members of the Reform Party would be splitting their time on this motion. I cannot apologize for not being here, I simply was not here when that was introduced to the House.

The member for Calgary Centre of course with great enthusiasm and so on, used up the full 20–minute allocation. In part, I think we would all understand, due to travel commitments and otherwise, if the House would agree that the member for North Vancouver would do his 10–minute intervention now with five minutes for questions or comments. Then I would go back to the government where we will get at least two other interventions equally of 10 and five and there will be a little bit of time before we have to conclude the matter at 5.30 p.m. Would that meet the approval of the House?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): There being no agreement, we will resume debate with the hon. member for Guelph—Wellington.

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, I wish to indicate to the Chair that I will be sharing my time with the member for Vancouver Quadra.

It is a pleasure for me to rise in this House on behalf of the people of Guelph—Wellington on the motion introduced by the member for Kindersley—Lloydminster. I do so not to condemn the government but to commend its actions to encourage more openness and accountability to our constituents.

It has been a pleasure for me to have in the past 18 months sought the advice and counsel of the people of Guelph—Wellington at every opportunity. They have shared with me their concerns and suggestions. Through town halls and surveys, my constituents have expressed their appreciation for the opportunity to participate in decision making.

I find it ironic that the member rose in this House to speak about broken promises. The red book was our commitment to the Canadian people during the last election. We were very much aware that they were tired of politicians who made promises but failed to deliver and political parties that relied on short memories.

We want Canadians to remember what we promised them because we have kept our promises. That is the legacy of this government, a government that has reaffirmed the new politics of promises kept.

The Reform Party likes to speak in the House about promises. During the last election it offered Canadians its blue sheet, a list of principles and policies, a list that is rarely if ever mentioned by Reformers in the House. They like to speak about the red book but are strangely quiet about the commitment they made to the Canadian people during the autumn of 1993.

The Reform House leader, like many in his party, talks about openness in government. Reformers speak of it like they have a monopoly on consultation and accountability. When the members of the Reform Party presented their platform to Canadians during the last election, accountability of elected representatives was so important that it was listed as number 15 in their statement of 21 principles. They argue that it is the duty of elected members to override their obligations to their political party.

However, the platform also states that Reform MPs shall vote with the Reform Party majority unless a member is instructed to abstain or vote otherwise by his or her constituents. We have already seen that despite majority support for gun control, only one member has risen in support of the government's proposal. Promises made and promises broken.

Reformers like to share their vision of accountability but do not necessarily like to live up to it. In their own party assembly in 1994 for example, 600 constituency resolutions prepared for debate were reduced finally to 55.

• (1640)

Despite a promise in Reform's blue sheet to protect law–abiding citizens, one of its members suggested publicly that Canadians should not comply with gun registration. Reformers suggest we should break the law.

Despite promises to support a new relationship with aboriginal people, the very member who is sponsoring this motion suggested that the aboriginal language should be spoken briefly, such as the length of time it takes to yawn, pause between sentences, or to take a drink of water.

Reformers have asked for a minimum age in the pension plan for members of Parliament and are opposed to double dipping, but have spoken against the legislation that does just that.

Reformers promised in their blue sheet to reduce expenditures by lowering the pay of members of Parliament, while one of their own suggests that salaries increase to $150,000 at a time of restraint. More promises made and more promises broken.

I have said before that each of us elected in 1993 and our Liberal colleagues elected in the recent byelections are here because of circumstances of frustration and anger on behalf of the Canadian people.

The constituents of Guelph—Wellington were concerned that too many candidates promised one thing and then would deliver another. They asked me to ensure they would be consulted before decisions were made. They wanted to be informed. They wanted us to act and they wanted to be heard. They did not want to reach their member of Parliament by dialling and paying for a 1–900 telephone line. Their idea of accountability is their ability to contact their member of Parliament without incurring a service charge. For Reformers, accountability has a fee.

The success of the red book does not rest simply with its ideas and its suggestions. Success has resulted from action by this Liberal government that was demanded by the people of Guelph—Wellington and people throughout Canada.

The people of my riding welcomed the red book because for them it is a yardstick with which they can measure our success and they remind us of our promises. We are not afraid of that; we think this is a good thing. As much as the Reform Party said earlier that it does not like the idea of being reminded and having accountability, we are not afraid.

The red book is a contract made by the Liberal Party and affirmed by the people of Canada. The red book has set a legacy of election promises. It is a legacy in which I am proud to share.

Liberals know the old ways of governing can never be repeated. But the difference between Liberals and Reformers is one of substance. Liberals like success. We celebrate good news. We attempt to uplift Canadians and bring them to the best that they can be.

Our government was elected because the old way of doom and gloom was rejected by the Canadian people. Reformers do not yet know that Canadians like good news and want to share in prosperity and happiness. In a recent edition of the Calgary *Herald* writer Catherine Ford said it best. Speaking of Reformers she said: "These are not real cheery, happy people. Everyone needs a spring break".

Reformers saw the last election as a chance for change. They were correct. Canadians demanded and received change. They reduced the Mulroney–Charest Tories to two seats because they saw a government that failed to represent their concerns. They voted for the red book, for good news, for a party that has historically protected their interests. They wanted openness and accountability. They wanted not only a spring break but a break from everything wrong in government.

The government has responded. We are very aware of the commitments we made to the Canadian people. We know our contract is fragile, that Canadians are watching and that they demand the very best and will expect no less, nor should they.

We need no lessons from the other side on accountability. The blue sheet represents promises made and the red book is promises kept.

• (1645)

The blue sheet promises reform and the red book delivers a new Canada. The blue sheet offers a narrow vision, and the red book includes all Canadians and challenges them to return to greatness.

Rather than condemning our government, I encourage Reformers to join us in our efforts to rebuild Canada and to make our country strong again. I want them to remember and to celebrate that despite their constant reminders to the contrary, Canada is the best place in the world to be.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the hon. member for Guelph—Wellington tried to point to contradictions in the speeches made by Reform members.

I will let Reform members take care of themselves. However, I myself see contradictions between the Liberal Party program, the famous red book, and some of the things which have taken place since the election campaign, including free trade. I asked the same question earlier to another Liberal member, and I was told—the member's colleague will certainly be able to give me an answer—that so many changes had been made to the free trade agreement that, in the end, the Liberals could not follow up on the matter.

There is also the GST. The Liberals said they would change and even remove this bad tax on goods and services. Unfortunately, the GST is still there. There is also the issue of transfers to the provinces. What did the government do to these transfers? First, it froze them and then announced, in this year's budget, a major cut which will take effect next year.

I represent the riding of Lévis and I was told that a summit on the future of Canada's shipyards would be held during the year. That was 18 months ago and there is still no summit.

The government can certainly point to the contradictions of the Reform members of the opposition, but I am talking about commitments made by the party now in office, when it was in opposition. There is a definite difference between the commitments made and the actions taken.

I want to ask the hon. member about another issue. What does she think of the power of banks as regards the monetary policy, among other things, given that six of the ten largest contributors in Canada are banks? I would like to hear her opinion on that issue. Would she support federal legislation which would limit political financing to individuals, instead of major corporations?

[*English*]

Mrs. Chamberlain: Mr. Speaker, I am pleased to answer some of the points my hon. colleague brought up.

Number one, the member talked about something achieved. I submit to members that in the last 18 months we have achieved a great deal as a party. I am very proud of that. Some things we certainly have made improvements to. I use the word improvements because the world continually goes around; it is not something one just does at one point and never looks at again, never fixes it or never goes ahead on it.

I will come right out; other parties may want me to hide from this, but I will not. We have made improvements to the pension reform. We hope that all members will support that, because it is the way the Canadian people want this to be, with a minimum age and no double dipping. We certainly hope that we have members' support on that.

We are working toward a united Canada, which is very important to all Canadians. We know that. The member across the way knows that too.

The member talked about free trade. Certainly that has been a real plus for the country. That is indisputable with the figures and facts out there.

The member spoke about the GST, and the reality of that is that we are working on it. We hope to have a solution to that soon. It has not been as easy as one might have hoped.

Real change is not easy, so we work toward it. We are proud to say that we are working hard toward it. We do not hide from that. There is no reason for us to hide from it.

• (1650)

There have been improvements to the GATT. Infrastructure has been one of our biggest projects. Every day I am in Guelph—Wellington I am stopped and told that the architects have benefited from this and the mayor says that things are going well. I see the member for Wellington—Grey—Dufferin—Simcoe is agreeing. This infrastructure program has been wonderful; interprovincial trade, I could go on and on.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, it is a pleasure to follow my thoughtful colleague, the member for Guelph—Wellington, and to take part in the debate on the proposition of the member for Kindersley—Lloydminster, with whom I have had the pleasure of serving in committee. He is a thoughtful member and he usually brings forward in committee very helpful and reasoned propositions.

He did not acknowledge the source of his motion. Openness goes back to Mr. Gorbachev and glasnost, which he thought was a precondition of perestroika, the open debate. Behind that was also the larger global concept of novie mishlenie, the new thinking, which says that you can offer hope for constitutional or other propositions for change, but unless you have some unifying philosophical principles, some sort of larger vision of the sort of constitutional society you want to establish, you are not likely to take these things very far. That was one interesting thing in the constitutional revolution on Russia with perestroika, that there was a larger vision.

It is interesting to note that in looking for foreign models they looked extensively at France, Germany, the United States and other countries but did not borrow from Canada. The largest contributions were made through borrowing of German institutions, which then the supreme court based essentially on American constitutions but updated to post–war conditions.

What I think is rather sad in terms of our constitutional development in Canada in the last 30 years has been the

pre–emptiveness of the Quebec presence to the exclusion of debate on larger constitutional ideas. If we look back to the golden period of the quiet revolution, in a certain sense its main ideas were achieved very early, by the 1970s, in the languages laws, Mr. Bourassa's on the provincial side and the federal official language law on the federal side. In essence a large social economic revolution was achieved under the guise of a language reform, with very profound consequences.

Beyond that the constitutional ideas seem to lapse into the pursuit of constitutional particularity. If you do not have a larger pluralistic conception of a constitutional development, those ideas are not likely to go very far. Through successive failures they have not managed to go very far.

One problem therefore is the absence of motor ideas. I find the same problem with the Reform Party approach to constitutional change, even though there are some reputable right wing think tanks in the country and there has been a considerable amount of debate in some of these institutions.

One basic flaw in the Reform approach is the failure to analyse the contradictions in the proposals and to produce some sort of operational synthesis. The notion of establishing the independence of members of Parliament, of loosening the party ranks, and of encouraging free votes goes a certain way. When you link it to the concept of consultation and a notion that the results of the consultation are to be binding on members, you are riding horses running in different directions.

This is not tabula rasa. It occurs in terms of constitutional development in the history of many countries. In that cradle of so many of the contemporary liberal democratic ideas, the French revolution and the post–revolutionary settlement, you do find the antonyms—government by assembly, highlighted by the convention, where everything was debated at great length and where the convention made all the decisions, and the plebiscitarian idea, which is ultimately consummated by Napoleon and others, of submitting it to the people and getting a legitimate nation by direct popular vote and the legislative chambers become mere ratifying organs.

• (1655)

In this debate on questions of openness some of the contradictions have needed to be resolved, and that has not been done. I think that is a pity.

There has been a failure also to realize the complexities of governmental decision making today and the constitutional law making processes. The hon. member for Beaver River, for whom I have a very great respect, asked a question today that was very critical of the judiciary and the judiciary's role in law making. The essence of law making today is the recognition that there are many roads to Rome in terms of making laws, that there are many players, and no one of these has an exclusive role. They are in a very real sense complementary. There are some aspects of social policy making that are ripe for judicial law making, because judicial law making, in essence, is empirically based and problem oriented. It is a step by step process that proceeds in the particular fact context of particular cases, solves a particular problem in that specific context, and then moves on to the next case. After several of those decisions you begin to get what is called jurisprudence constante, an evolution of principles on an empirical basis.

Some other matters clearly are ripe for full popular consultation. I think one of the things that is very clear today is that no substantive constitutional change can be achieved in the future in Canada without submission to the constituent processes, without submission to popular vote. I think this is the irrevocable lesson of Charlottetown. However, it would be a mistake to believe that every aspect of social policy and every fine piece of legislation should go that way. There is a parliamentary role.

I think it would have been helpful in terms of the opposition motion today, of the second opposition party, to have had some recognition of the manifold nature of the law making process. There are some aspects that are ripe for judicial action, some for legislative action in the pure sense, and still others that might be left to popular consultation. Perhaps there should be some offering of criteria for deciding which of these fronts to move on.

In general I felt that the hon. member for Beaver River was on the wrong track today in her particular criticism. That probably was the sort of area where we could have the trial and error judicial process. Every judicial decision is subject to appeal. There is a discretionary issue for attorneys general and justice ministers, and one can expect, with the proper exercise of the executive process and recognizing that it does not conflict with the legislative process, that judge and company operate together, legislature and executive, and that decisions of this sort, if they are regarded as retrograde by some elements of the community, can be appealed. There are interest groups, more developed in the United States, but some of them in Canada, that have taken this a considerable way in terms of the investigation and bringing cases before the courts.

I think this has been a helpful debate. I thought that one of the questions relating to political parties, whether they should be constitutionalized, was a timely question. I hope there will be occasions in the present Parliament to consider that in some detail. I thank the hon. member opposite who raised the question.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, at the beginning of his speech, the hon. member for Vancouver Quadra spoke of the lack of coherence in the Reformers' program. What took me a little aback, coming from him was that, without any prodding, he spoke of Canada's constitutional development over the past 30 years. I realize that the riding of Vancouver Quadra is quite distant from mine, Lévis, but I must say that one cannot truly talk about constitutional development over the past 30 years because there has been none. All of the constitutional conferences ended in failure and, in particular, I would like to remind him that the first version of the Meech Lake accord, which was signed by 11 premiers, was called into question because, following elections in various provinces, three Liberal premiers refused to respect the accord.

• (1700)

Given that the tone of the hon. member's speech would suggest that he is very open to consultation, relating back to the first point he made, which was the Reformers' lack of a coherent program, I would like him to explain to us the coherent program being followed by the Liberal government concerning the constitution.

Mr. McWhinney: Mr. Speaker, I agree that Vancouver Quadra is far removed from the centre of Canada, but I myself am certainly not far removed from this debate.

I acted as a special constitutional adviser to various premiers of Quebec, Ontario and other players in the constitutional game, but I repeat that in those years, the debate concentrated on certain details, while a broader constitutional vision was lacking. Canada probably needed a de Gaulle instead of officials discussing the finer points of a constitutional proposal.

As for what the future holds in store, once the referendum is behind us, and we are very optimistic that everything will be over with before the end of this year, we can then resume constitutional talks without the limitations of pursuing something that was clearly rejected by the Canadian people, including Quebec, in the referendum on the Charlottetown accord in 1993.

[*English*]

Miss Deborah Grey (Beaver River, Ref.) Mr. Speaker, the hon. member for Vancouver Quadra mentioned in his speech that he thought that I, the member for Beaver River, was off base today in my question. In terms of openness in government and some of the opinions that he has just shared, could he explain to me what he was talking about earlier in his speech where he assumed that courts and the provincial and federal governments are the people that have these avenues?

Although provincial governments have the jurisdiction to administer and process adoptions, as he was referring to, they have absolutely no business, no jurisdiction and no right in either the federal, provincial or court system to redefine family.

In the member's expert opinion, could he explain to me how I am so off base when I asked the minister earlier about legislators making the law and courts interpreting the law. Federally and provincially it looks as though the courts are actually making the laws.

Mr. McWhinney: Mr. Speaker, I did not use the phrase off base with the hon. member. I have a great respect for the hon. member. It seemed to me that her question neglected to include the notion that lawmaking is not limited to legislators alone, that in modern society the judiciary, the executive and others partake in it.

Second, judicial lawmaking is particularly attuned to certain types of social problems because of the case by case development.

• (1705)

The decision the hon. member mentioned this morning is subject to appeal. In the normal process a good justice minister would consider that possibility.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, since the hon. member opposite spent so much time talking about the past, perhaps I will start my speech today with a quote from Edmund Burke dating back to 1774. The Vancouver *Sun* used this quote on May 21, 1994 to criticize the electronic referendum on the Young Offenders Act that I ran in my riding of North Vancouver.

Edmund Burke said:

> Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion.

Mr. Burke made this statement more than 220 years ago, long before the information age. The level of education then was probably pretty low and it probably would have been doing a disservice to constituents to take their opinions to Parliament. In the 1990s people are well educated and well informed. A modification of Mr. Burke's statement is in order.

I would like to see modern politicians saying: "Your representative owes you not his industry only, but also his commitment to alert you to the affairs of government that affect you so that you may become informed and so that you may instruct him how to represent you".

The problem is that even if every member in the House agreed that his or her first duty is to represent his or her constituents, we would still have to overcome the hurdle of repressive party discipline that we have already seen illustrated in recent times. We cannot change our present, benevolent dictatorship into real democracy until we come to grips with that situation.

When I was in my late teens and early 20s I belonged to the Young Nationals in New Zealand. I worked at many elections, helping really good candidates to get elected to go to Wellington for which members can read Ottawa. I really hoped they would make a difference.

It was disappointing to me to find that excellent candidates got elected but as soon as they got to Wellington, they were unable to represent their constituents' views. They had to toe the party line. They never voted against the party under any circumstances. At the very least, the strongest statement any of them could make was simply to abstain.

In those olden days there were no computers or fax machines or CNN. Governments pretty well controlled what we knew about the world. Even then, I dreamed of a day when voters would be able to have a much greater say in the decision making of their governments.

We have reached a point in time now when the information age has made it possible for my dream to become reality. We are on the verge of a revolution in democracy, despite the unwillingness of the Prime Minister to see the writing on the wall.

Frankly I doubt whether our parliamentary system can survive the information age in its present form. It must adapt and change more quickly than it has ever done in history to cope with the new power each of us will have as voters. Reading the precedents from Beauchesne the way the government whip often does is going to have less and less relevance in the future.

I can recommend to members a comedy that appears on television on Sunday nights on The women's network. It is called "No Job for a Lady". It is based on the experiences of a rookie woman MP in England. Whilst the program is pretty funny, it is a fairly accurate portrayal of what happens in this place.

The writers obviously have a good knowledge of the workings of the House of Commons. They have no difficulty showing viewers that committee meetings and travel junkets have very little use other than to keep MPs busy between votes. They make no bones about the fact that the system is completely controlled by the Prime Minister and that the wishes of the voters are irrelevant to the process.

There is growing awareness that the present system is becoming less and less relevant in modern times. Let me read a segment from an article written for the *Financial Post* recently by Rafe Mair, a talk show host on radio in Vancouver:

> Surely we must now all agree that the system the Fathers of Confederation devised of pasting a parliamentary government on to a federal system no longer suits us and our present difficulties. Our system, with victory to the "first past the post," means a minority becomes an official majority which can do as it pleases for five years. It usually oppresses the majority and certainly oppresses all minorities such as B.C. and Alberta, a clear lesson of the election of 1993—
>
> The main argument against changing our system is that it will result in weak governments. If by "weak" it is meant that the prime minister will not have his way unless the Commons, voting freely, agrees, then I will take weak government. Surely the collective wisdom of all MPs and their leaders is greater than that of a caucus which must agree or lose the perks of power—
>
> For under our system, power is from the top down. The party in power must, to stay in power, stay united no matter how bad things get. The party leader becomes a dictator—for it is he who appoints cabinet ministers and parliamentary secretaries. He controls the patronage. Every backbencher is held in check by his own ambition to get into cabinet; each cabinet minister is held in check by his desire to stay there.
>
> If Chrétien proves incapable of handling our crisis how do we change him?—He can't be relieved of office unless the majority of Liberal MPs choose to share power, most unlikely given the track record of majority governments in Canada.
>
> The leader to save Canada from its perils may be sitting in the present Parliament—it might even be the Preston Manning or Jean Charest—but we will never know unless the centrally dominated Liberal caucus wants it to happen. And it is an immutable political law—

• (1710)

The Acting Speaker (Mr. Szabo): I would remind the member to refer to members in the House by their riding and not by their name.

Mr. White (North Vancouver): Mr. Speaker, I was quoting from a newspaper article. I assumed it was okay for me to use names in that case, but I will avoid doing so in future.

> Canada, in its time of great peril, should not be hostage to an outdated system. Clearly, confidence in the ability of our present setup to settle the great questions which face us is confidence badly misplaced.

That was quite a long article but I thought it was very worthwhile reading to the House because Rafe Mair made some very good points. The Prime Minister will have to face the fact that the system is in the process of change.

Parliamentary democracies around the world are looking for new ways to be more democratic. Thirty years of experience under the old system are not going to account for anything in the information age. In New Zealand in late 1993 the government passed the citizens' initiative and referendum act. New Zealand's citizens now have the right to start initiatives and control referenda on the ballot.

In the 18 months or so since the implementation of the act a number of initiatives have been started. However in almost

every case, as soon as the initiative was registered with sufficient signatures, the government reacted, addressed the problem and the initiatives were subsequently taken off the ballot.

We have always been told that initiative and referenda are incompatible with parliamentary style democracy, but here is New Zealand proving it works. The real reason we do not have initiatives and referenda in Canada is because the Prime Minister does not want to give up the power he has to control what happens in this place.

Past governments have been no better. Twice the previous government passed a gag law to try to keep people quiet at election time. Twice the gag laws were struck down but the government still chose to appeal the decision of the Court of Queen's Bench in Alberta in an attempt to reimpose the gag law on free speech.

On May 8 the appeal was heard in Calgary. To refresh members' memories, the Alberta Court of Appeal reserved judgment after only one day of hearings on the case. On June 25, 1993, Justice MacLeod of the Alberta Court of Queen's Bench struck down several sections of the Canada Elections Act which restricted expenditures by individuals to only $1,000 and parties could spend up to $10 million or whatever they wanted.

It was clear from the reaction of the justices, particularly Justice Kerans, that the justices had no patience for the government's appeal. It looks fairly certain they will overturn the government's position and restore free speech, thank goodness.

For the moment the Prime Minister still has power over his MPs but sooner or later, little by little he is going to have to give it up. I condemn the government for its failure to keep its red ink book promise to make the government more open and to permit MPs to be more accountable to their constituents.

Besides all of that, the Deputy Prime Minister promised to resign if the GST was not gone within one year of the election and she still has not done it.

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I am interested that he went back to Edmund Burke. He would have Parliament reduced to nothing more than having us be voting machines. We could have a questionnaire every night, push a button and there would be no need for the House to exist. There will be no need to study in detail various bills.

• (1715)

When I look at the motion the inference is members of the Liberal Party are not given more freedom. I remind the member that if he were to examine the record in the House he would notice there is a lot more divergence in voting among the members of the Liberal Party, the government side, than there is among members of the Reform Party.

Mr. Abbott: On government bills?

Mr. Telegdi: Examine the record. When we look at Reformers for the most part they vote as a block. It is borne out by examining the records of the House.

I point that out to the members. I think they are being hypocritical and they do not examine the record. They try to say they represent something they do not.

I applaud two members of the Reform Party who actually did what they said they would do which was represent their constituents' wishes in terms of legislation. It relates to gun control. I applaud the actions of the member for Edmonton Southwest as well as a member from Calgary who stood up and represented the wishes of their constituents.

How can the Reform Party, whose central campaign was representing the wishes of its constituents, do such a flip–flop and ignore the wishes of its constituents when it comes to the gun legislation or legislation supported by law enforcement officers, by chiefs of police, and something that is needed for law and order? Not only do its members not support that, they are preaching civil disobedience against it.

Could the member inform me why they do not follow the wishes of their constituents on the gun legislation?

Mr. White (North Vancouver): Mr. Speaker, I thank the member for his questions.

When it is obvious to any clear thinking person that we should vote down a bill on the other side it is not the least bit surprising that 52 clear thinking Reformers would vote against it.

The member brings up all the usual red herrings that MPs would become voting machines and so on. In my riding there have been in the last year only two really controversial issues which I have taken back to my constituents. I have done comprehensive surveys and even a scientific survey which I am currently undergoing with the gun control bill. I am perfectly satisfied that within my caucus members are representing their ridings. There is no problem with that at all.

These red herrings about how we would become voting machines are nonsense. New Zealand has proven with its initiative and referendum act MPs do not become voting machines if you give people more power. I have proved it in my riding.

Last year I overturned a grant for a women's monument project in Vancouver. The people who were organizing that were really upset. Two of them called me on a conference call and said: "We will make sure we get rid of you at the next election". I said: "Please, do not wait until the next election. If you can get 15 per cent of the voters in this riding to sign a petition to say I am not representing the majority, I will resign". They asked if they could get that in writing. I said yes. I put it in writing. To this day I have not seen one signature.

Democracy is powerful but we have to give power to the majority. We have to give power to the people. That is what Reform is attempting to do. It does not mean we turn into voting machines. It simply means we give a Canada to people built the way they want it to be instead of built the way the elite want it to be.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I am pleased to follow my hon. colleague. I agree with what he had to say.

It is helpful to have this type of motion presented every now and then for a reality check to see if anything has changed in Parliament.

• (1720)

I will speak today about parliamentary reform. When we first arrived here in the cold of the winter 1993–94, I took on the responsibility of chairing the group in my party particularly interested in parliamentary reform. Except for the members for Lethbridge and Beaver River, we were all pretty new at this and we felt that with a little change here and there and a slight move parliamentary rules could probably be changed quite easily.

We became quick learners, realizing rules and traditions grown up over many years were not so easily changed. I admit in some instance we became aware of the need for these rules and why they should be left alone.

If life is a great learning experience, parliamentary life is at least doubly so. Two things happened very early in this Parliament that led me to believe real change was possible. The first was the introduction and subsequent adoption of the government motion which directed the procedure and House affairs committee to study a whole range of matters dealing with reform.

The motion referred to freer voting, sending bills to committee prior to second reading, allowing committees to draft bills, referendums, recall and other methods by which backbenchers or private members could become more involved in the policy influencing process.

The second matter that gave me hope was the adoption of my private members' Motion No. 89. During the third hour of debate it was amended by the government to read:

> That, in the opinion of this House, the government should continue to increasingly permit members of the House of Commons to fully represent constituents' views on the government's legislative program and spending plans by adopting the position that the defeat of any government measure, including a spending measure, shall not automatically mean the defeat of the government unless followed by the adoption of a formal motion.

Notice it does not specify Private Members' Business. It was adopted unanimously. This was the setting for real change, a committee ably chaired by the member for Kingston and the Islands and a motion advanced by an opposition MP from the Reform Party calling for freer voting adopted unanimously by the House of Commons. This was the hope. Let us look at the reality.

To be fair to the members on the government side, we have seen some change, and one measure I proposed as a private members' bill was the beneficiary of this changed attitude. Bill C–232, a bill to give grandparents right of access to grandchildren, passed through the House a week ago and was sent to the justice committee for study.

The bill had been kicking around Parliament in one form or another for more than 10 years and never came this far. I have a changed attitude towards Private Members' Business to thank for at least getting the bill through second reading and off to committee. Private Members' Business does seem to be one avenue where the government is attempting to make changes.

In my discussions with members opposite regarding whether they would support the bill, I was continuously assured free votes were allowed on private members' bills. It would seem from the number of private members' bills now in committee this is true.

However, this is only the first very tentative step along the way to true freer voting in Parliament. It is almost the government saying when it really does not matter all that much, backbenchers are free to vote as they please. I believe it is time we moved this beyond the first step and started to apply freer voting to government bills as well.

We have had with Bill C–68 first hand experience with punishment being handed out to those on the government side who dared to vote against the party line.

It was the opinion of those involved in the writing of the McGrath report in 1985 and those who sat on the House management committee in 1993 that dissent should be allowed to be expressed without fear of retaliation by the leadership of the political party concerned. Both groups believed the expression of dissent would make the House a healthier place.

I have to endorse that. It would be a healthier place. It would be a place where members who felt very strongly about an issue would not have to vote the party line and could do so without fear of retribution.

What happened? We need only to look at the voting patterns in other Parliaments similar to ours to realize the confidence convention has been relaxed and the sun still rises in the east every day and governments have not crumbled.

Some members in the House on the government side today worked on the McGrath report. What happened? The reality of the day seems to be while in opposition they protest loudly but when the people of Canada give the opposition a mandate to do everything it promised to do, suddenly it is no longer the champion of democracy.

• (1725)

As my fellow Reform member for Calgary North reminded us all earlier, democracy has to be looked after. It has to be protected. Sadly in the House we do not have rule by the people, we have rule by the party. She was quite right.

It appears party discipline is as strong as ever. When constituents clearly tell their MP how they feel on an issue that MP is not allowed to vote to represent a democracy. Rather, he or she is punished if they have the intestinal fortitude to rise in the House and truly represent their constituents, just for keeping their promises to their constituents.

Something is wrong. We have 295 MPs but we do not have democracy. It is a sign of strength to allow dissent to be expressed. It is not a sign of weakness or of weak leadership.

Professor Philip Morton, an academic in Great Britain who has devoted a great deal of study to this issue of freer voting or cross–party voting, has concluded this phenomenon, as he calls it, has led to a growing awareness of what can be achieved by such action by backbenchers. The lack of retribution or punishment of members who vote against the party line in Great Britain, Australia and New Zealand has produced a change in attitude on the part of many MPs as they now felt their views mattered and they were really participating in the policy process.

The process had been expanded beyond the cabinet table. I say to those like Professor Robert Jackson of Carleton University who oppose freer voting on the grounds they would lead to chaos, nonsense. We are not advocating free votes on every piece of legislation. We are simply advocating limited expressions of dissent from the party line be allowed to take place without fear of repercussions from the party leadership.

What happened in the House recently on Bill C–68 showed us very clearly on the government side—and let us be honest and truthful about this—it is not a fact yet. It is something I hope will come in the House but at this time it is not a fact that members of the government can vote according to the wishes of their constituents without severe repercussions. That is a sad state of affairs.

All this bickering back and forth, all these smart, snide remarks will not change the facts or the truth. Let us stop with the silliness and start dealing with the truth. It is a fact that happened in the House.

I spent many years teaching and I tried to tell students one thing. When one debates one does not make smart cracks or snide remarks to people; one deals with facts. When students debated in competition in British Columbia, which is the only experience I have to go on, judges and their peers sat in the back row. If a student were to ever make a point without fact there was a stroke right across the card. That student was never able to win in points on debate. I am really sorry because I thought when we reached this level we would see people really using wisdom and experience.

I have seen some excellent debaters in the House. I am always so sorry when I see this cheap shot being taken. I hope we can start remembering to treat each other more with respect in the House and debate as the House is worthy.

We would like to see the intent of Motion No. 89 adopted unanimously by the House to be applied to government bills. I also congratulate those on the other side who voted against the party line on Bill C–68, but definitely not because they went against the party line. They allowed the wishes of their constituents to be expressed in Parliament at great personal risk to their political futures. They are to be congratulated, not condemned. They should remember they can always find an ideological home right here. I think we still have some spare seats.

Moving on to other aspects of reform, committees, two in particular, have been allowed to draft bills. One bill deals with electoral boundaries and the other with lobbying.

We on this side are concerned that at least with regard to the lobbying bill it was ultimately drafted to corresponded with instructions from either the Prime Minister's office or the privy council office. However, it seems we have made a start in this area, albeit tentative, and we should do much more with regard to committees drafting legislation. No one knows better than I how much time the drafting of legislation takes and then securing support for the legislation, but we owe it to our constituents to take this time.

Will legislation be coming forward to allow for referendums to be of help on moral issues such as physician assisted suicide? What about the recall of members of Parliament who are not doing their jobs? What about legislation to provide for citizens initiatives?

I hope I am not wrong, but I believe to effect these changes we will have to change places with the political party opposite.

The Acting Speaker (Mr. Kilger): It being 5.30 p.m., it is my duty to inform the House that pursuant to Standing Order 81 the proceedings on the motion have expired.

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

ALTERNATIVE FUELS ACT

Mrs. Jane Stewart (Brant, Lib.) moved that Bill S–7, an act to accelerate the use of alternative fuels for motor vehicles, be read the second time and referred to a committee.

She said: Mr. Speaker, it is a pleasure for me to present Bill S–7 to the House for consideration. Essentially it positions the federal government in a leadership role when it comes to reducing greenhouse gas emissions into our environment by requiring the government to convert 75 per cent of its motor vehicle fleet to the use of cleaner burning alternative fuels by the year 2004.

In addition to the environmental benefits that we expect, we anticipate there to be cost savings for the government as well as the development of new economic spinoffs.

I commend the bill to my colleagues and ask for their support in managing its speedy and efficient passage through the House.

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, I can understand my colleague's enthusiasm, but we are going to try to go into a bit more detail.

I am pleased to rise on the subject of Bill S–7, which aims at converting 75 per cent of federal government vehicles to fuels that are less hazardous for the environment by the year 2004. These alternative fuels are defined in the bill as being less damaging to the environment than conventional fuels.

Of course, we all know that current sources of propulsion energy are not entirely without impact on the environment while being as efficient as we might like. However, in the light of the urgency of finding solutions to the problem of global warming, Bill S–7 seems like a step in the right direction.

Let me remind you that the federal fleet of vehicles comprises over 39,000 vehicles. They release some 150,000 tonnes of carbon dioxide and over 4,000 tonnes of other pollutants into the environment each year.

Canada, as a whole, releases annually 570 million tonnes of greenhouse gases. These gases accumulate in the atmosphere and have been causing the gradual warming of the planet for the past 18 years. Experts forecast that, in the next few years, the average temperature of the Earth will rise by 1.5 to 4.5 degrees Celsius. This increase in temperature will have significant effects on sea levels, ecosystems, drinking water supply and, indirectly, on agriculture and human health in general.

The Government of Canada made a commitment to the international community to stabilize its greenhouse gas emissions at 1990 levels by the year 2000. However, the Minister of the Environment has recently indicated that Canada will not be able to keep its promise and will exceed the global objective by 13 per cent. The plan of action the minister proposed last month contains only voluntary measures, which will have no significant effect on Canadian emission levels.

In fact, the minister was simply unable to reach the consensus required with the provincial ministers of the environment. Quebec emits half the Canadian average for carbon dioxide emissions and has succeeded in reducing its CO2 emissions by nearly one quarter.

One of the reasons for Canada's lack of success is that some people, including members of the Reform Party, question the validity of the scientific conclusions establishing the existence of a greenhouse effect.

• (1735)

To those we can reply that there will always be dissident scientists who question the conclusions of the vast majority. This phenomenon is normal in the scientific community. What is not so normal is for politicians and corporate groups to use the normal scientific questioning process to justify their lack of action and dispense with the most basic prudence. Did Reform members succumb to the charms of the Alberta oil lobby in this matter? Good question.

Too often in the past we have let our environment deteriorate to such an extent that it is no longer possible to go back. The problem of global warming is not one of those we can afford to ignore.

Bill S–7 will force the Canadian government to lead by example, something it has never done so far. In fact, Treasury Board guidelines aimed at converting the federal fleet and improving its management have existed for some years. We must, however, note that these guidelines came up against bureaucratic inertia and the resistance to change that prevails in organizations such as the federal government. Therefore, it seems to me that only legislation can force departments and agencies to conform to the new environmental priorities. After implementing the provisions of the bill, the Canadian government will be in a position to reduce its emission of carbon dioxide by 57,000 tonnes over five years and 20,000 tonnes per year thereafter.

But those are not the only benefits of converting the federal vehicle fleet. It is estimated that the government will save approximately $43 million in fuel over the first five years and $15 million per year thereafter. While the unit price of these

vehicles will be $1,500 higher, for a total of $38.5 million over a five year period, this will nonetheless mean net savings of $7 million over five years.

Finally, replacing the federal fleet of motor vehicles can be expected to have a ripple effect, thereby breaking the vicious circle of low demand for specialized vehicles for lack of fuel supply, itself caused by the lack of specialized vehicles on the road, and so on.

One can hope that the leading automobile manufacturers and fuel suppliers will take advantage of this golden opportunity to develop new models and new markets.

Allow me, at this stage, to express some concern about both the wording of the bill and its scope.

Clause 2 of the bill sets out three conditions to define what constitutes an alternative fuel under the terms of the act. They are as follows: the fuel must be used to propel a motor vehicle; it must be less damaging to the environment that conventional fuels; and, finally, it must be prescribed by regulation.

Clause 2 goes on to list types of fuels deemed to be alternative fuels. Listed in there are ethanol and electricity. It seems somehow that the fuels formally listed are not subject to the three aforementioned conditions.

I appreciate however the highly qualitative and relative nature of the phrase "less damaging to the environment". I do not challenge it. Obviously, the government must have some flexibility regarding the identification of fuels labelled as being less harmful to the environment.

This is why I wonder about referring to specific fuels which may, in a few years, following further scientific analysis and technological developments, be considered to be relatively more harmful to the environment.

For example, it was mentioned in yesterday's issue of *Le Devoir* that, according to a study conducted at Carnegie Mellon University, in Pennsylvania, a 1988 electric vehicle released 60 times more lead, per kilometre, than a comparable vehicle using leaded gasoline.

I will not go so far as to say that it is always the case and that more recent electric vehicles pollute the environment to the same extent. I certainly do not claim to be an expert on alternative fuels.

I simply want to show that what is considered to be the least harmful alternative at one point can turn out to be not so good after all.

Moreover, the sensitivity of our environment to certain products varies over time and space. It was pointed out that intensive use of pesticides for corn crops used to produce ethanol can have major consequences on the environment of a region. If the government agrees to identify ethanol as a more environmentally friendly fuel, it could have some bad surprises down the road.

• (1740)

I hope that the standing committee which considers Bill S–7 will examine this issue very seriously and, if need be, make the necessary amendments.

The other concern I have is the need to streamline the federal fleet. It seems obvious to me that Bill S–7 will not address all the problems raised by the Auditor General in his 1991 report. At the present time, the federal government uses 106 different models of vehicles. Seventy per cent of these vehicles travel less than 25,000 kilometres a year and only 10 per cent of them travel over 40,000 kilometres a year, which is roughly the distance travelled by rental vehicles. Finally, only 11 per cent of the vehicles have four cylinders, while 50 per cent have six, and 39 per cent have eight. The Liberal government must clean out the fleet, clean up this mess, and adopt a policy that will lead to a better use of public moneys.

In spite of the reservations I have already expressed, I am pleased to support Bill S–7. Canada, as the world's second largest producer of refuse, second largest consumer of energy, and second largest source of greenhouse gases per capita, cannot afford to miss such an opportunity once again.

Finally, I would like to thank Senator Kenny and my colleague for this initiative, which, I hope, will contribute to improving Canada's performance on the environmental front while reducing government spending. It is initiatives such as this one that can truly advance the cause of sustainable development in Canada and Quebec.

[*English*]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, the intent of the bill we are looking at this evening is quite noble. It is to cut costs and reduce exhaust emissions. I do not think anyone could quarrel with that, although I would put a bit of a disclaimer on the exhaust emission reductions.

If they are talking about nitrous oxide or sulphur dioxide I would say that is correct. I certainly would go along with that. As far as the CO2 reductions go, it is a questionable premise that they would be reduced. It is also questionable that it matters.

There is an awful lot of voodoo science around with respect to the effects of manmade carbon dioxide on global warming. There can be pretty good debate on that in any scientific gathering where there are experts who really know what it is about.

I do not think the bill has much to do with the technical aspects. It is about politicians legislating technical decisions about which they know little.

I quote from the Liberal briefing notes accompanying the bill: "Legislation is preferable to government guidelines". That is a loose translation of the standard Liberal policy on

just about everything, which states that everything that is not prohibited should be compulsory.

There are no guarantees that costs will remain static if the bill is passed. There is talk about a $7 million saving. Let us not forget that once we get a good market for alternative fuels there will be upward pressure on the price. If the wholesalers of natural gas and propane realize that they are on to a good thing, they will not sit back and allow their product to be sold at an excessively cheap cost compared with other petroleum based products such as diesel or gasoline.

We should not forget that the good old government, as soon as it sees something that is taxable, will move in and tax the pants off it. This will not give us the great saving we are talking about. It will give us a temporary saving until both the market and the taxman catch up with it.

• (1745)

I mentioned something about the carbon dioxide emissions. I stated that there is no solid proof that man made carbon dioxide emissions are a direct cause of global warming. Aside from that, let me play devil's advocate and assume that that is indeed the case. I question the figure of reduction of 20,000 tonnes per year of carbon dioxide. I want proof, I would like to be shown.

Propane, LNG, and alcohol all produce carbon dioxide in the combustion cycle. They all contain carbon. I suspect that for a given calorific output there is going to be basically the same amount of carbon dioxide emitted. If that is not the case, I would be very happy to be shown that it is not. Again, I insist: show me.

There is also no proof that 75 per cent of the federal fleet would be able to continue to serve its intended purpose if the whole 75 per cent were converted. There have been successful conversions of urban fleets of taxis and delivery trucks. There is no problem there. If private enterprise decides that it can do better by converting, then we love them and let them do it.

One fleet of school buses of which I am personally familiar that did the conversion from gasoline to propane found that their buses no longer had adequate cold weather capability and that they could no longer handle the hills on the rural routes. After two years they turned around and scrapped the new propane conversions and put in diesel, which is probably what they should have done in the first place, but they were reacting to a certain public pressure to use propane.

We pay our technocrats big dollars to make technical decisions. They are supposed to know what they are doing. Perhaps if we gave them some incentives to do things right and to save us money and be efficient, that might be a better way to go than wielding the legislative club and telling people how to do their jobs.

When I was in industry, as soon as somebody from the higher echelons started to tell me how to do my job, I was gone. It was not a question of being told to do a job, but being told how. You hire somebody to do something, you let them do it.

Those are the weaknesses that I find in this bill. There was some mention made of the necessity to reduce and rationalize the federal fleet. I heartily agree. It is ridiculous that we have over a hundred different types of vehicles out there. There is nothing in this bill to address that problem. They say if we force them to convert then they are going to have to rationalize their fleet because they will not be able to maintain all these odds and sods of vehicles under the new conditions. Why not go ahead and rationalize the fleet off the top instead of trying to come in through this back door and say we are going to force you to rationalize by making it so impossible to operate your fleets?

If there were a bill on that I would still have a little difficulty with it, because again we would be telling people how to do their jobs. What we need is government action through the finance department: "We are going to cut your allowance, so you make it work and do it whatever way is best. If that means rationalizing your fleet, then by all means do so. Get rid of some of the excess vehicles. Cut down on the makes and models. We are not going to give you any more money, so you are simply going to have to do it". That is the prerogative of Parliament and that is what Parliament should be doing.

• (1750)

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I too want to rise to discuss the bill. I would like to suggest to those here that this bill is about cosmetic surgery. It is one of those feel good issues. It is very popular in the public domain. However, it is really a bill that talks about two issues, which I would suggest the public is being heartily fooled on. The first issue is the environment and the second is the whole issue of cost.

When we talk about the environment, especially in terms of automobiles, there is a great deal of misinformation that circulates. For example, the assumption is that if we burn ethanol in our vehicles in some way there will be wondrous effects on the environment. We know, for example, that the burning of ethanol in vehicles reduces carbon dioxide emissions into the air. Those are commonly called greenhouse gases. We also know that if we burn ethanol we will increase what are called NO_x, which are also noxious gases that are detrimental to our health. Yet if we listen to the debate on the use of ethanol, we know that those who support this industry say there are only positive effects. That is far from the truth. I am not saying there is no benefit whatsoever, I am just saying that it is neutral. The jury is out on what is happening with respect to the usage of this.

We only have to look to other jurisdictions where the government has jumped in with both feet and said to the marketplace: "You are going to do this. It is up to you. We are not going to give you any choice in the marketplace." If we are not going to give choice then we also have to explain to people what they are going to pay for the absence of choice.

In the United States, the Environmental Protection Agency embarked a number of years ago on an ethanol program, for example, where it required that in certain cities 10 per cent of gasoline contain ethanol. There was a reason for that. They had an environmental problem with respect to carbon monoxide. There were nine cities designated and they embarked on that. There was a great cost to that. There was an industry that was created, but let us remember that it was an industry that had the strength of government dollars behind it.

Recently, about a year ago, the Environmental Protection Agency in the United States went one step further and said they were going to require 30 per cent. It did not consult with the industry; it made a rule without consultation. Fortunately, the American system has seen that as an unacceptable way of doing business and the mandate has been rolled back. Government agencies can no longer act in that fashion.

I suggest that this is precisely one of the factors within the bill that is before us. We are saying that we are not going to let the government have any choice in the matter. We are going to pass a piece of legislation that says that 75 per cent of government vehicles within a prescribed period of time must, of necessity, because we say so, burn certain types of fuels.

Another example can be found in the jurisdiction of British Columbia. The environment department in that province is all of a sudden dictating that certain emission objectives must be met. The industry is saying they can do that, but this is what the cost will be. In the province of British Columbia the cost will increase by eight cents per litre if the dictates of the government and that department are followed.

We have to talk about choice and we have to talk about cost. In this particular bill, the suggestion is that 75 per cent of the fleet must be converted. There are a few things that are not being talked about. First, we are talking about the conversion of vehicles. In doing so, we must realize that the technology comes from the United States, so we are going to encourage manufacturing in the United States. Second, we have to consider the practicalities of it. There are all sorts of exceptions to the rules. You cannot park a car that is fueled by natural gas in an underground garage.

We are creating a broad rule and we are expecting our departments to follow it.

• (1755)

Government studies have shown that in order to recover the costs associated with converting a vehicle to natural gas or propane, that vehicle must remain on the road for 13 years. That is a best case scenario where the vehicle is driven at least 50,000 kilometres a year. However only 10 per cent of the government fleet accumulates 50,000 kilometres a year.

In converting the rest of the fleet the government, and more important, the taxpayer may never recoup the cost. My suggestion is to forget about this bill. It has noble objectives but we are intruding into a marketplace we have no business being in. I make this analogy. If I had a medical problem I would not consult my priest. We have an environmental problem and we are consulting everyone except those who know. Effectively that is what this bill is doing.

I will give another example. Over the past couple of years the environment department has been concerned about sulphur content of diesel fuel. The federal environment department went to the industry and said: "We have this problem. Let's see what we can do". The industry went to work and was able to meet the objectives of the government, an adequate sulphur emission level in diesel fuel that was generally accepted. It was done in a timely fashion. It was done in a fashion that was acceptable to the industry. It was done in a fashion that was acceptable to the government and it was done in a fashion that did not incur a great deal of cost.

When we as legislators start intruding into marketplaces for reasons that have to be at best suspect or altruistic, then it is incumbent on us to explain to people what they are going to pay for it. At no time or in no way have I seen anything that would suggest to me that we are being frank or at least transparent—a word everyone loves to use—or very open about what the cost of this is. We hear about the tonnes of CO but we do not talk about the volume of other noxious gases that are created in the burning of some of these fuels.

We have turned away from industry. We are mandating and telling ourselves that we are going to do this but we do not attach a dollar sign to it and we do not consult with industry—heaven forbid we do that—to effect a change.

Certainly the technology is coming for alternative fuels. The day will come when a lot of these industries will make sense. We have to allow the marketplace to determine that. We have to allow the technology to progress. Instead we are saying that we will forget about the technology but at the same time we will force this on the taxpayers of Canada.

For that reason I would suggest to everyone here that this bill once again has laudable objectives, but makes absolutely

no sense. We have not discussed the cost and we have not discussed the question of choice in the marketplace.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, the premise of the bill is good. Conversion of the government fleet to propane and/or natural gas makes some sense. The advantages that have been expressed to me are reduced emissions or smog, increase the infrastructure for alternative fuels, some experimentation for the future good of the country and it could save some money.

What expertise does this member of Parliament bring to this issue? I am able to tell the assembled members that I am a car nut. I am very deeply involved in the old car hobby. I am the organizer and founder of the longest running collector car auction in Canada. I restore, collect, buy and sell historic vehicles.

I am also an active participant in racing. I have raced competitively for years. It seems to me that activity has been criticized for the emissions generated during racing. I have followed the debate on this issue very, very closely over the years. Those who criticize the race car weekend should know that a jet plane taking off generates more emissions than all the cars that compete on a weekend.

• (1800)

I watched with interest the attempts to develop other alternatives to gasoline powered cars. I have seen battery power, solar power and indeed, alternative fuels as mechanisms to change away from gasoline powered cars.

The costs have really been quite significant in this area. There are the costs for R and D, field trials, market demonstrations, incentives and promotional activities. I have looked for the costs in some literature. I will mention specific costs relating to federal government programs.

In the propane vehicle grant, 71,000 vehicles were converted at a cost of $29 million. As I said before, these are simply the federal programs. Natural gas vehicle program: 36,000 vehicles converted, $16 million. The natural gas fueling station program: 150 stations converted, $7 million. Natural gas appliances where $500 is given toward installation, 900 units at a cost of $800,000. The methanol market demo program: $1.25 million. The ATF market development and demo program: $3 million. ATF technology development: $20 million. Methanol and large engines: $6 million. Hydrogen research: $12 million for R and D. These are all programs that have been brought forward for the federal government to put money into the area of alternate fuels.

Are changes to our transportation system needed? Is there a problem with our current system? Is there a problem with cost? Is there a problem with supply? Is there a problem with emissions?

It is interesting that emissions have dropped drastically with the modern technology in our new cars. It is so much so that industry is now far and away the biggest source of emissions for gasoline powered engines.

How should changes be undertaken in an area like this? My colleague who just spoke feels that the changes should be market driven and I agree. The taxis here in Ottawa are a classic example. The choice is there. The taxi drivers are not being forced to convert to propane. They choose to convert on their own because they have high mileage vehicles and it is cost effective for them.

If this project is worth its salt, legislators cannot stop it. If the project is worthless, legislators should leave it alone.

I would like to make one final comment. One way we could save a significant amount of emissions would be to put all the ministers of this government in small automobiles. We could save a bundle of hot emission laden air.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I would like to add just a few comments to the debate before this goes to committee. We have to keep in mind that the traditional efficiency of gasoline engines since the mid–1970s has increased 125 per cent. This pending legislation describes alternative fuels.

I know the industry in general in Canada and in some parts of our country there is a great push for alternative fuels to read "ethanol". Before Parliament promotes any specific alternative fuel, I think it would be wise for us to consider that perhaps of the alternative fuels, ethanol may not be the most efficient. It could be the least efficient of all of the alternative fuels because of the cost in energy to generate ethanol. We should pay particular attention to the use of natural gas. The concept behind this bill is worthy and we should go ahead with it.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Acting Speaker (Mr. Kilger): The bill is agreed to on division.

(Bill read the second time and referred to a committee.)

Mr. Boudria: Mr. Speaker, today is a parliamentary first. A private member's bill from the Senate has been approved. Given the progress, perhaps we could seek consent to call it 6.30 p.m. and rejoice at yet further steps made in advancing Private Members' Business in the House.

The Acting Speaker (Mr. Kilger): I think the hon. chief government whip might have taken a little bit of liberty, however, is there agreement?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): It being 6.30 p.m., this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.07 p.m.)

HOUSE OF COMMONS

Friday, May 12, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

MEMBERS OF PARLIAMENT RETIRING ALLOWANCES ACT

The House resumed from May 10 consideration of the motion that Bill C–85, an act to amend the Members of Parliament Retiring Allowances Act and to provide for the continuation of a certain provision, be read the second time and referred to a committee; and of the motion that the question be now put.

The Deputy Speaker: When we last discussed this matter, the member for Wild Rose had two minutes remaining in his intervention. I do not see the member for Wild Rose. Accordingly we will resume debate.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is with pleasure that I rise to speak today to a particularly compelling issue, which is the MP pension reform.

So many of my colleagues on this side of the House have spoken with thoughtfulness and compassion for Canadians who, like us, are struggling to make ends meet.

During the 1993 campaign this issue came up over and over again on the doorsteps of those hard working taxpayers in my constituency. They were very frustrated with the fact that MPs could come into such a wonderful job as this and were greatly compensated for their work here after only having spent a short six years in the job. At that time I realized the importance of the issue and I made a pledge to my constituents that I would never ever participate in any kind of an MP pension plan while I was a member of Parliament or afterward.

I would like to read to the House for the record the promise I made to my constituents. It was signed by me on June 15, 1993 and witnessed by members of the riding who were at the town hall. This is what I said:

[*Translation*]

> I, the undersigned, Jan Brown, Reform Party candidate for Calgary Southeast, strongly oppose the current extravagant pension plan of members of Parliament. It is time our leaders demonstrated some leadership. I therefore totally oppose former members of Parliament receiving excessive pensions, when Canadians are being asked to tighten their belt. I will, moreover, vote against any bill maintaining or increasing members' pensions. I therefore state that I, personally, will not participate in the current extravagant pension plan of members of Parliament.

[*English*]

I went on to say:

> I support the policy of the Reform Party to significantly reduce the pension plan for MPs to bring them into line with pensions offered in the private sector and I will work vigorously toward achieving that objective. However, I hereby declare that I will personally choose not to participate in any taxpayer funded MP pension plan. As your elected MP, I, like many of you, will plan for my future financial needs independently and free of taxpayer support.

As I said, I signed that on June 15, 1993. Now more than ever, my sense of that declaration has gathered importance in my life and certainly to those members of Calgary Southeast who I represent.

There seems to have been a great deception in the Liberal red book when it came to pension reform. I say that because the public was given a perception that the Liberals were most intent about pension reform. However, the red book did not say anything concrete about the reform of pensions.

• (1005)

The Liberals just said that the pension regime of members of Parliament had been the focus of considerable controversy and it remains so. The red book went on to state: "It is now the subject of an independent review, which Liberals support". This constant focus on reviews, consultations and discussions continues over and over as a mantra of the Liberals.

The red book further states: "Whatever the results of an independent review, a Liberal government will reform the pension plan of members of Parliament to end double dipping. MPs should not be able to leave office and receive a pension from the federal government if they accept a new full time

paying job from the federal government". The Liberals went on and on with issues that have not been addressed at all in the bill.

In fact, this is what has happened with the new Liberal proposals. The lower benefit accrual rate has gone from 5 per cent to 4 per cent per year, twice the rate allowed in the private sector under the Income Tax Act. Once again, there was the perception in the red book that there was change whereas in actual fact there has been no real change, just a perception.

Benefits will increase with inflation, unlike 80 per cent of private plans. MPs are to collect 75 per cent of the annual salary after 19 years in office. The average Canadian has to work 35 years to collect 70 per cent of an annual salary.

The Liberals have also allowed a one time opportunity for MPs to opt out of the new plan, but MPs elected in the next election will be forced to take part in the plan. That sounds like some kind of arbitrary punishment for those of us who brought forward the whole issue of reform of our pensions.

Former MPs or senators appointed after retirement stop receiving their pensions while serving, but the benefits continue to grow.

It sounds like I have struck a chord over there. The babble starts once again when we strike a nerve over there that there is something which is not quite fair here.

Mr. Cannis: You will have your turn.

Mrs. Brown (Calgary Southeast): Going further, this actually goes to the core of leadership in government and demonstrates to Canadians that before politicians ask them to make any more financial sacrifices that we should lead by example. When I hear the empty rhetoric from the other side that we are reforming the MP pensions, indeed we are not. The Liberals have made only marginal improvements to the MP pension plan. They have merely paid lip service to Canadians' demands for a pension plan that is in line with those in the private sector.

Some hon. members: Oh. oh.

Mrs. Brown (Calgary Southeast) As you can hear, Mr. Speaker, the babble is rising on the other side because they know this strikes a very uncomfortable chord with them.

An hon. member: Settle down.

Mrs. Brown (Calgary Southeast): I thank the hon. member on the other side who is asking his people to settle down. It would be very helpful.

Reformers are ordinary people who have families to support and mortgages to pay. They would like nothing better than to participate in a pension plan that is fair, but the Liberal plan is so extravagant that Reformers must opt out on principle. That is where it comes back to leadership.

It is ironic to suggest that reforming the MP pension plan is a sacrifice for members of Parliament. As I said, this is a wonderful job, a job to publicly serve a country where democracy is the cornerstone of our political system. We should not take advantage of that by having to be paid through these obscene pension plans after leaving here.

All we have ever suggested doing is to take our existing, outdated, lavish, unfair and expensive pension plan and correlate it with the private sector provisions for employees. This is no sacrifice. It is doing what every other Canadian out there is doing, which is trying to take care of themselves. It is an expectation from our electorate that we reform this outrageous pension plan.

• (1010)

More than anything else, Canadians resent that they are being asked over and over and over again to tighten their belts, that they must pay higher taxes, that their hard earned paycheques are taxed back to the government. Let us not forget that about eight million Canadians have no pensions at all. Canadians are at a point where they no longer believe their politicians are worthy of their support.

I know I can speak to the constituents of the riding of Calgary Southeast on this issue and get that kind of response. In town hall after town hall on the issues of the day, this one keeps coming up: "When are you going to get rid of that terrible MP pension plan?"

I have mentioned in this House before about the reforms that were happening in my home province of Alberta. In the spring of 1993 Premier Klein announced there would be no pension plan for members of the legislative assembly after the next election. Indeed, Mr. Klein kept that commitment to Albertans. It is no wonder that Mr. Klein's leadership retains one of the very highest levels of support in the history of Alberta.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I will start by saying I was caught a little off guard. We hear a lot about the government's need for integrity and about trying to increase integrity in the House of Commons. I came here today fully prepared to talk about Bill C–67, the veterans affairs bill but was told: "Oh, we will do it later".

The government said Bill C–67 would be the first bill up today. I have concerns because I am here for a very specific purpose which was to deal with that and now we are thrust into this debate on pension plans for members of Parliament. I am more than willing to speak on this issue because it was an issue during the election campaign. The constituents of Okanagan—Similkameen—Merritt spoke very clearly about their feelings on it.

The MP pension plan this legislation deals with is excessive. It is over and above what the private sector has for their pension

plans. That is what is so discouraging about this government in its facade to change and reform the MP pension plan.

The Canadian public, including Reformers, have nothing at all against pensions. We believe there should be a pension plan. Every member in this House should have a pension plan and all Canadians should have pension plans. Many Canadians fought long and hard to have pensions. Canadians get mad and upset when there is an excessive pension plan that is not available to all Canadians, such as this pension plan.

In the heat of debate, many people say things which may sometimes not be quite accurate. The hon. member for Calgary Centre stated in one of his speeches that the compensation should perhaps be increased to $150,000. I do not necessarily agree with what my friend the hon. member for Calgary Centre said. However the intent of what he was saying was that the whole compensation package for members of Parliament should be reviewed independently and brought back to this House so that the Canadian public can buy into this whole compensation situation. The figure is not important. The fact is that it is out of whack. An assessment has to be made by the people of this country that it is something they can agree with.

• (1015)

I do not need 10 minutes, 20 minutes or 40 minutes to say what the Canadian public is saying. It is clearly saying it wants the MP pension plan brought in line with the private sector. Why on earth can the government not see that is all it is asking?

What is the government afraid of in the House of Commons representing all the people of Canada? It is lining its own pockets. It is looking after its own self-interest. It is not representing the people of Canada. The government should be ashamed.

The Deputy Speaker: Is the House ready for the question?

Mr. Jim Silye (Calgary Centre, Ref.): On a point of order, I seek unanimous consent to speak again to this bill. Standing Order 44(1) states:

> No member, unless otherwise provided by standing order or special order, may speak twice to a question except in explanation of a material part of his or her speech which may have been misquoted or misunderstood, and the member is not to introduce any matter, but then no debate shall be allowed upon such explanation.

I stated something in debate. I have spoken to the bill. What I stated has been misunderstood. I seek unanimous consent to clarify this.

It is very important the Canadian public understand that what I said has been misunderstood. It is being distorted by the government. It is being distorted in the press and the media by the government. I want to see the government restore integrity to the House and let me speak.

The Deputy Speaker: In the 16 years I have been here I have never seen this matter arise. The member is correct in citing Standing Order 44(1). It is a provision I was not aware of, and I doubt very many people on the government side were aware of it either. It says "except in explanation of a material part of his or her speech".

The question is a good one. I do not see any requirement for unanimous consent for a member to explain some matter of his speech. I will be happy to hear from all members who wish to speak to this.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Standing Order 61(1) reads:

> The previous question, until it is decided, shall preclude all amendment to the main question and shall be in the following words—

Standing Order 61(2):

> If the previous question be resolved in the affirmative, the original question is to be put forthwith without debate or amendment.

It is very clear from all the precedents that on the previous question a member may only speak once. There is no possibility of further speech once the previous question has been moved. That question is before the House. Since there is no person rising to speak who is entitled I ask Your Honour to put the question.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, to assist your ruling, it is clear the hon. member for Calgary Centre wants to speak under this rule. He has no intention of moving any amendment and so in no way does he violate the standing order referred to by the member for Kingston and the Islands.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): There are two points to be brought to the Speaker's attention. The first one was raised by the parliamentary secretary to the government House leader. He has indicated to the Speaker that because we are dealing with the previous question not only does this preclude amendments, it makes it such that we must dispose of the previous question before anything else is invoked.

• (1020)

Quite clearly the rules are designed so that when the previous question is moved this matter is to be disposed of at the conclusion of members having spoken. Rules elsewhere in the standing orders are not applied when we are using the issue of the previous question.

Second, as it invokes Standing Order 44, no member speaking twice with the exception referred to by the hon. whip of the Reform Party, I submit to the Chair that the member in question

has not spoken in the House this day and therefore a clarification of comments he made in the House is not in order at this time even if this rule were to apply, which I submit it does not.

Finally, it is obvious that invoking this rule by the hon. member in question is completely out of order because it does not satisfy the requirement of his giving an explanation to a speech in the House he gave several days ago when there were plenty of opportunities in questions, Standing Order 31 and questions to other hon. members in order to correct any misconception he thinks the House might have about remarks he made in the Chamber not today but several days ago.

On the comments the hon. member is invoking to clarify today, I submit that in the unlikely event the Chair allows these clarifications, the Chair will hear clarifications made with regard to the response the member gave in answering questions to another hon. member not on the motion we are discussing now but on the previous question.

The Deputy Speaker: When the hon. whip for the Reform Party is speaking to the point of order would he also indicate the date of the speech he made in the House and, without giving any details, the point of misunderstanding he wishes to clarify.

Mr. Silye: Mr. Speaker, I will include those two points and further add some points in order to help you make your decision in response to what the government whip just said.

Nothing under Standing Order 44 says I must avail myself of using Standing Order 31. I am speaking to the same question and nothing in Standing Order 44 says I have to have spoken earlier today.

Specifically, the issue is a comment I made during debate in my speech when I talked about MP pensions. I pointed out a salary figure. That was on Thursday of last week. Since that time I have been misquoted and misunderstood by the President of the Treasury Board, who is sponsoring the bill, and that is extremely important in the Chair's consideration. The President of the Treasury Board has been misquoting and misrepresenting what I said. Therefore the Canadian public misunderstands my point. I said this on Thursday. It is to the same question. I do not have to speak on the same day.

If there is any integrity in the House, if the government has any integrity, I should be allowed to make my point.

Mr. Boudria: Mr. Speaker, the whip for the Reform Party conceded he did make these remarks last week and has since spoken on the same bill. I remind the Chair that if he has spoken since that time even if this rule were to apply, which it does not, he had that opportunity and failed to exercise it.

The Deputy Speaker: Would the whip of the Reform Party indicate whether the point he wishes to clarify was his speech on the amendment, the subamendment or on the main motion.

Mr. Silye: Mr. Speaker, on Thursday when the government, in order to get the legislation into committee so that the Canadian public would not know everything about it, introduced extended hours on Thursday on our amendment to exhaust all our speakers. It knew some of our speakers had left to go home for the weekend, as many government members did. Therefore we had to introduce a subamendment.

I am trying to be as factual as I can and recollect whether in my speech when I referred to the $150,000 it was on the subamendment or on the amendment. I quite clearly state we were not debating the main motion on Thursday. I will concede that. If that has a bearing on the Chair's decision, so be it.

This is a very serious matter and I do appreciate proper consideration on this because I have been misunderstood.

SUSPENSION OF SITTING

The Deputy Speaker: Colleagues, this makes for an interesting Friday morning. I ask your indulgence to suspend for five minutes, after which I will return and give a ruling on the matter.

(The sitting of the House was suspended at 10.26 a.m.)

SITTING RESUMED

The House resumed at 10.34 a.m.

SPEAKER'S RULING

The Deputy Speaker: Order. This is certainly an enlivened Friday morning for all of us.

• (1035)

The rule is designed to prevent people from starting further debate on the issue. I am satisfied, having looked into it, that the member was entitled to rise on a point of order, which he did, but he is not entitled under our practices at present to rise to make another speech on the matter.

I would have to rule, based on our present practices, that members may not have another go at the debate under this branch of the rule.

Accordingly, I would say the hon. member has made his point of order and the Chair has not accepted that he is entitled to rise to make another speech on the matter.

The hon. whip to the Reform Party is not entitled to rise to reargue the point, as he knows. If he rising on a different matter, he is entitled to do so.

Mr. Silye: Mr. Speaker, is it possible to request whether or not you have factored in that I was misunderstood?

The Deputy Speaker: That is the same point.

CONSIDERATION RESUMED OF MOTION FOR SECOND READING

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I am pleased for the opportunity to speak on this important bill that has consumed the House for quite some time. It has actually consumed debate in the country for several years prior to the lead up to the past election.

When I campaigned and even prior to my campaign in the election of 1993 this was a very important issue in my riding of Peace River. It caught people's attention because they think there is a double standard with politicians doing one thing and then asking the Canadian public to do another. Politicians were writing the rules for their own pension plan which is overly generous. It was up to six times more generous than any private or public sector plan. I heard it many times.

I did not hear any debate about MPs' salaries, but at every meeting I went to in the riding I heard about the issue of the MPs pension plan and how it was overly generous. It is a matter the Canadian people want us to clear up. It is not good enough to bring in a revised plan that is twice or three times more generous than the Canadian average. They want a plan that is on an equivalent basis.

Members opposite who are shaking their heads will find, if they ram the plan through, that they face the consequences when they go to the electorate the next time around.

Our alternative has been to say that we need a pension plan that is fair, honest and open with Canadians, but if we cannot achieve it at this point we will opt out. That is what Reform members have done.

I have received a lot of feedback in my riding about the matter. People have said: "At least you are honest with us and are saying that you will not jump into a plan that is two and one–half or three times more generous than any other pension plan in the country".

When we discuss the issue and as we talk back and forth across this place members on the other side consider the salary and the MPs pension plan to be one package. That is a big mistake. It has led to the idea that we can have career politicians in Canada. People have said they want a pension plan that does not encourage career politicians. That is another point people in the Peace River riding told me about. They want people to run for office who have done something with their lives before coming to the Chamber so that they can bring some real life experiences to the job. They do not want people elected at 22 years of age who plan to be here for their entire lives.

My understanding is the President of the Treasury Board brought forward a pretty good plan to his Liberal caucus in December. It was a lot more reflective of the current mood in the country and the current average. What happened to it? Who led the charge against it? It was the rat pack of 1984 and 1988. The rat pack has become the fat cat pack. They are the ones who could not accept the revised pension plan. Some members sitting over there will know what I am talking about because they led the charge against it. The President of the Treasury Board had to withdraw. I understand he was almost dismembered in caucus by the Liberal Party. What did he do? He could do nothing except bring forward a plan that was somewhat lower than the pension plan they had previously but was still not good enough.

• (1040)

We see members opposite arguing day in and day out that we have to accept the plan or our option in the Reform Party is to opt out. We will take that challenge and we have taken it. It is not that we can afford to do it any more than anyone else, but we have to identify with the Canadian people. We have to set an example. We have to lead by example in the Chamber and that is exactly what we are doing.

My understanding is that one Liberal member has also done it. I think we will see a few more once they get some feedback. If this issue were allowed to go until the summer recess some other Liberal members would come back to the House and say: "I am going to opt out of the plan as well".

I take this opportunity to deal with another issue. The gist of what is going on across the floor right now is what I want to talk about. The member for Calgary Centre rose in the House to talk about the issue. At least he was honest. He told the Canadian public that we had to put the matter into perspective, that if we factored in MPs salary, expense allowance which is tax free and housing allowance, in terms of actual dollars before taxes they would total about $120,000. If we threw in a reasonable pension plan it would be up to $150,000. That is what he was saying. He was trying to put the matter into perspective. He was trying to tell Canadians exactly what politicians are getting right now. I welcomed his addition to the debate.

What happened? The people on the other side of the House totally misrepresented that. All we expect from over there is honesty and openness with the Canadian public. That is exactly what the member for Calgary Centre said. He said: "If you were honest you would say this is the value of the pension plan and the salary at the moment". That is the kind of debate we need.

He threw out the challenge to put it to the Canadian public to decide what the MPs salary should be. I think they would find that it should be higher. If they do not, I am prepared to live with the results. When we set our own salary and our own pension we start to get into trouble. It does not show leadership by example. We had better throw it out to a panel that will cross the country, hold hearings and talk to ordinary Canadians before we talk

about raising any MPs salary. The member for Calgary Centre is just giving the reality of today, what is actually in place.

As I was travelling in my riding I heard over and over again that MP's have put themselves in a class above the Canadian people. I believe there is a lot of cynicism out there about politics right now. I ran into that myself. One person said: "Charlie, I wish I would have met you before you went into politics because I think I would have liked you". It is a little slam against the profession. What he was saying was that the job as an MP is falling into disrepute.

Why is that happening? One of the reasons is that we have double standards. We have a standard for MPs and we have a standard for ordinary Canadians. That is not good enough. It is something that has to be changed.

Because of the misunderstanding and misrepresentation on the other side of the House of the member for Calgary Centre on the issue when he was honest and open with discussion in the Chamber, I move:

That the member for Calgary Centre be now heard.

● (1045)

The Deputy Speaker: In order for such a motion to be made by the hon. member who just spoke, two members who are entitled to speak have to rise and then a motion such as he just made could be moved. Therefore, the motion is out of order.

The member for Peace River still has the floor if he wishes.

Mr. Penson: Mr. Speaker, it is a matter of whether the public will still like us on election day in 1997. That is the challenge I am throwing out to members opposite: bring in a realistic pension plan and I think the Canadian public will have some faith in the whole process, but if we continue to set our standards higher than those of ordinary Canadians they will have no faith.

We have heard the debate in the House that takes place on old age security and Canada pension. We know those two programs are under heavy pressure and it may not be possible to sustain them. There has even been talk about moving the age limit back to 67 for people to receive old age security. That suggestion was made because we are in such serious financial difficulty in the country that the interest on the debt is consuming more and more of these very, very important programs.

That is the kind of pressure the public is going to face: a Canada pension plan that may not be sustainable, old age security that may not be sustainable. At the same time, in what direction are MPs going? We are going with a gold plated pension plan—not as much as before, but significantly higher than the public and private sector.

Mr. Hoeppner: Something our grandchildren will pay for.

Mr. Penson: The member for Lisgar—Marquette just reminded me that we will not be paying for it, not our generation. It is easy to bring in a plan somebody else has to pay for. In fact, that is what will happen with deficit financing.

There is a $550 billion federal debt in the country, rising at the rate of $115 million a day. Who is going to pay for this in the future? It will not be the members who are sitting in the Chamber, not our generation. It will be our children and grandchildren. What kind of a deed are we perpetrating on our future generations in this country?

Mr. Hoeppner: Let them sign a petition that their grandchildren are willing to pay for it.

Mr. Penson: Let us examine the pension plan for a moment. It is certainly a step in the right direction. We know that. But there is still an age limit of 55 for qualification. Who else in the public and private sector can do that? Nobody I know. It is still two and a half times more generous than any other public or private sector pension plan. It is important for us to deal with the issue fairly.

In conclusion, because of the misunderstanding, I move that the member for Calgary Centre be now heard.

The Deputy Speaker: The motion is out of order.

I believe the member for Edmonton Southwest has already spoken to the matter.

Mr. McClelland: Mr. Speaker, I believe I spoke on the amendment. I have not yet spoken on the main motion.

The Deputy Speaker: This has been quite a morning. The member has already spoken, I am told, on the main motion. The member for Edmonton Southwest has spoken on the motion now before the House, that we move to the question.

Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

The recorded division stands deferred until Monday, May 15, at the ordinary hour of daily adjournment.

• (1050)

VETERANS REVIEW AND APPEAL BOARD ACT

Hon. Fernand Robichaud (for Minister of National Defence and Minister of Veterans Affairs, Lib.) moved that Bill C–67, an act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other acts and to repeal the Veterans Appeal Board Act, be read the third time and passed.

Hon. William Rompkey (Labrador, Lib.): Mr. Speaker, those of us who witnessed the recent celebrations of V–E Day cannot help but be reminded once again of the importance of the second world war and indeed the other wars in which Canada has participated. That war was a defining moment for this country.

It was a time when young Canadians from all across the country sacrificed themselves. Some went for various reasons. Some went because of valour. Some went because of patriotism. Some went out of a sense of duty. Some went for adventure. For whatever reason, they went. They went for their country and to defend and protect an important cause.

The second world war was a defining moment for us as a country. It helped to partially establish what we are as a country, what we stand for, what we believe in, what we are prepared to defend. It was also a defining moment for individuals, all of those young Canadians who went overseas. In the second world war it was not just young Canadians but young Newfoundlanders and Labradorians, because the province that I represent was not part of this country between 1939 and 1945. So there were young Canadians and young Newfoundlanders and young Labradorians who went over, serving in different forces but all for the same cause. Not only did it define our country, but it defined them as individuals. It gave them an experience that those of us who did not participate in that war can never appreciate.

I recall growing up in St. John's, which had an important role in the second world war because it was a jumping–off point for ships, planes, and personnel. I remember the blackouts and air raid sirens. I remember my father being in the home guard. I remember the soldiers, sailors, and airmen in the streets, in the clubs and in the USO. However, those of us who did not actually participate in the war cannot really appreciate what those young Canadians and Newfoundlanders went through as an experience. Not only was it a defining moment for our country, it was a defining moment for them as individuals. Some of them paid the supreme sacrifice by laying down their lives. We honoured them some time ago, and we honour them again today.

As the Legion continually says in its rituals, "At the going down of the sun and in the morning, we will remember them". We must remember them, not only for their sake but for our sake and for the sake of our country as well. If we forget that defining moment for the country and that defining moment for them as individuals, then history is bound to repeat itself. I want to make that point today while those events are fresh in our minds.

I do not want to be lengthy today, because the longer I speak the more we will hold up improvements to the veterans pension plan. What I want to say is that for those individuals who went overseas and lost their lives, we can only remember them, honour them and pay tribute to them, but for those who came back we can do something as a country. We have been doing something as a country but we must continue to do something as a country. These individuals gave up an important part of their lives and some of the best years of their lives. They gave up their younger years, when they could have been doing other things. We must remember them for that. Some of them also gave up abilities they had. Many of them were injured. Many of them were totally disabled. Some of them were partially disabled.

• (1055)

This country has taken the responsibility that we owe them for that, for the sacrifice they made and the contribution they made to us as a country and to the world.

Canada has been paying a pension. This particular piece of legislation will speed up the Canadian pension administration. It will merge the Canadian Pension Commission and the veterans commission into one. It will make a two–stage process and it will free up the lawyers who are available to work on the appeals for the veterans as they apply. It gives Veterans Affairs Canada the authority to make first–level decisions and it merges the Canadian Pension Commission and the Veterans Appeal Board into one appeal body.

We heard on my committee from a great many witnesses. We heard from very few who oppose this legislation. Some had some modifications they wanted made, and that is what the House of Commons process is all about. But by and large, people and veterans support this legislation and believe it will be an improvement in the amount of time. We have been far too lengthy in granting appeals to veterans in the past. We heard that in some cases it takes years for a veteran to get through the initial process and the appeal process. This legislation will speed up the process and make it more efficient.

There is really very little more to say. This is a simple piece of legislation but it is important. I encourage the House to pass it speedily. I believe there is all–party support for this. I urge the House to get on with the job because of what we owe those people who went over to represent us.

[*Translation*]

The Deputy Speaker: It being nearly eleven o'clock, the House shall now proceed to members' statements.

STATEMENTS BY MEMBERS

[*English*]

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I am pleased to congratulate the International Development Research Centre, better known as IDRC, on 25 years of service to Canada and the world since its inception on May 13, 1970.

The purpose of IDRC is to bring together research professionals from Canada and abroad to help solve the problems of developing economies. As a primary example, IDRC–sponsored scientific research has led to the development of disease–resistant and pest–resistant food crops. Consequently, the environmental impact caused by pesticides and fungicides is greatly reduced and developing economies are one step further toward food self–sufficiency.

In short, 25 years' worth of Canadian investment into the IDRC will pay dividends into the next millennium. I cannot think of a better gift to future generations.

Happy birthday, IDRC, and congratulations to past and present staffs serving at national headquarters and the seven regional offices in Asia, Africa, and Latin America.

* * *

[*Translation*]

QUEBEC FOREST INDUSTRY

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, I would like to draw attention today to National Forest Week.

The forest industry in Quebec will be hit hard by the federal government's withdrawal from the Canada–Quebec forestry development agreement and the eastern Quebec development plan. These two programs come to an end in March 1996 and will not be renewed.

By withdrawing, the federal government will be depriving regions of Quebec of more than $30 million and will create unemployment equivalent to 1,500 jobs in the Lower St. Lawrence region alone.

It is because of its spending power, that is, using the taxes paid by the people of Quebec, that the federal government came to be meddling in this area, which is exclusively the jurisdiction of the provinces. Now that it is broke, the federal government is backing out and leaving the thousands of workers who depended on its involvement high and dry.

It is time for the people of Quebec to give a clear mandate to their government to recover all of the tax money paid to the federal government. This way, Quebec will have the final say on its own policies.

* * *

[*English*]

CANADA HEALTH DAY

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, Florence Nightingale, the great public health pioneer, was born 175 years ago today. How fitting then that this day has been designated as Canada Health Day, thanks to the Canadian Public Health Association and the Canadian Hospital Association.

This year's theme, "creating a new agenda for health", highlights a broader view of health, one that is consistent with this government's approach, the approach of Health Canada. The importance of a population health approach, a healthy society, is recognized by federal, provincial and territorial ministers of health.

• (1100)

Florence Nightingale's courage and dedication serve as a benchmark today for Canadian health professionals as they embark on this renewed agenda for health.

Join me then in wishing the Canadian Public Health Association, the Canadian Hospital Association and all Canadians a very successful Canada Health Day.

* * *

SEXUAL ORIENTATION

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, an Ottawa *Citizen* columnist recently stated that criticizing the use of the words sexual orientation in Bill C–41 is homophobia. This is yet another example of the forces of political correctness trying to stifle and suppress debate in the House.

The justice minister insisted on including sexual orientation in Bill C–41, but as many MPs have noted it is virtually indefinable. As one MP said: "Don't ask me to tell you what it is because [it's] difficult to interpret, to define". These words belong to our very own Prime Minister.

Perverse groups such as the North American Man–Boy Love Association argue that pedophilia is a legitimate sexual orientation and look for legal loopholes to press their case. Bill C–41 gives them one more chance to do just that, endangering our children in the process.

I urge the justice minister to listen to Canadians, listen to common sense and drop the words sexual orientation from Bill C–41.

CHRONIC FATIGUE SYNDROME

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise on ME Day to acknowledge the thousands of Canadians inflicted with chronic fatigue immune dysfunction syndrome.

Chronic fatigue syndrome sufferers have otherwise unexplained relapsing fatigue that is not the result of ongoing exertion. People with chronic fatigue see a decrease in their occupational, social, educational and personal activities. Anyone can be inflicted with this disease, men and women, seniors and children. I want to recognize their courage in trying to cope and carry on under very difficult conditions.

I also commend the many volunteers and support people who help their fellow Canadians. Colleagues' support is welcome. The ME Association of Canada has more than 3,000 members and more than 130 ME–CFS support groups across Canada.

Have courage, my fellow Canadians, we solve this debilitating riddle soon.

* * *

[*Translation*]

ALGONQUINS OF LAC BARRIÈRE

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, I am pleased today to offer my heartiest congratulations to the Algonquins of Lac Barrière. This is a fine day for them, as five of their sons will receive their diploma today for completing police studies at the First Nations Tribal Justice Institution in Mission, B.C.

[*English*]

Like other aboriginal nations in the land, Algonquins invest in their youth to give their communities a brighter future. Three other young Algonquins from Barriere Lake are presently studying at Carleton University, the University of Ottawa and the University of New Brunswick.

For these achievements I offer my warmest congratulations to the youth of Barriere Lake and their families.

* * *

[*Translation*]

INTERNATIONAL NURSES DAY

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, as the current economic situation places society before difficult choices, health services are about to undergo deep changes. In this context, it is with admiration and gratitude that the official opposition wishes to draw members' attention to the fact that today is International Nurses Day and to the key role played by these professionals. Nurses have always put themselves on the side of the patients and their families. Today more than yesterday, their competence and ability to listen guarantee quality care despite insufficient resources.

For their efforts, their creativity and the miracles they accomplish, we thank them from the bottom of our hearts. Thanks to these men and women, the values of compassion and respect for people will always hold an important place in Canada and Quebec.

* * *

[*English*]

ABORIGINAL NURSES DAY

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, it is a pleasure for me to remind the House that tomorrow is Aboriginal Nurses Day. I extend to aboriginal nurses my congratulations and more particularly to the Aboriginal Nurses Association which is celebrating its 20th anniversary.

From a group of 41 nurses that came together in Montreal 20 years ago, this association has grown to a membership of 300 and continues to have a strong voice on behalf of aboriginal health. It serves as a great role model for Canadian youth.

The association strives to improve the health of aboriginal peoples and to encourage them to take responsibility for their own health and social problems.

The government strongly supports this initiative and I know all hon. members would like to join with me to congratulate aboriginal nurses on this important day.

* * *

• (1105)

MULTIPLE SCLEROSIS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, yesterday I knelt while a wonderful woman in a wheelchair pinned this flower on my jacket. When I got up, I had to fight back tears because I was so aware of the ease with which I could get up and walk to my destination.

People who suffer from multiple sclerosis and other debilitating diseases display the highest courage as they live from day to day. I have a profound respect and love for them.

I think of people struggling with MS; Mark, Joanne and others in my Elk Island constituency and hundreds throughout our country. They deserve every possible support and encouragement from the rest of us.

I urge everyone to give generously to its fundraising efforts. Let us do all we can to promote research to find a cure and to help make their lives more tolerable.

S. O. 31

TREE PLAN CANADA

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, this week has been designated National Forest Week. I rise today to recognize the significant contribution of a school from my riding that has participated in a tree planting program called Tree Plan Canada.

This group of grade 7 and 8 students from Scott Young Elementary School in Omemee have been active participants in planting over 100 trees, 1,200 seedlings and about 500 shrubs on their school property last year.

I congratulate these students for their hard work and dedication to the maintenance of forests in Canada and I am honoured to have some of these students join us in the public gallery today.

Congratulations and keep up the excellent work for the future preservation of our forests.

* * *

HEART INSTITUTE

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker I rise in the House today to congratulate the University of Ottawa Heart Institute, a health care organization dedicated to the promotion of cardiovascular health.

In Canada, the number one cause of death is cardiovascular disease. Forty–three per cent occur in patients less than 65 years of age.

Treatments for heart disease are continually being developed and the Heart Institute is a leader in this area. The team at the Heart Institute has developed a fully implantable artificial heart, the most advanced in the world.

To Dr. Keon, Dr. Mussivand and everyone at the Ottawa Heart Institute, on behalf of my colleagues, I congratulate and thank you for your commitment to the prevention and treatment of heart disease. Your research, your skills and your ability to innovate, give us reason to be proud Canadians.

* * *

[*Translation*]

ETHICS

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the auditor general has recommended that the government adopt a code of conduct that would apply to ministers and members of Parliament as well as federal public servants. On the very same day, we learned that Ottawa had appointed Michel Robert to the Quebec Court of Appeal.

Michel Robert was president of the Liberal Party of Canada from 1986 to 1990 and has since made annual contributions of $1,000 to that party's election fund. Michel Robert is also the Liberals' representative on the Security Intelligence Review Committee and the person who defended the report by the committee that whitewashed racist informant Grant Bristow. In addition, Michel Robert is being paid substantial fees as the federal negotiator in the Kanesatake matter.

Since negotiations were finally about to start, will it now be necessary to go back to square one after paying Mr. Robert close to $300,000 in fees? We all know the tune: "Jobs, jobs, jobs for my friends".

* * *

[*English*]

"RED BOOK"

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, in the red book we promised to restore integrity to government. We have put this promise into action.

For example, Bill C–85 will bring about changes to the MP pension plan. The direct correlation between what we said, what we did, what we continue to do is starting to sink in, even among Reformers, that rag tag band of rhinestone cowboys.

Just yesterday, the much misunderstood member for Calgary Centre, himself more of a Diamond Jim than a rhinestone cowboy, predicted that in the next election, and I quote: "The Prime Minister will stand in front of voters and talk about how Liberal ideas and initiatives have restored integrity to the parliamentary system in Canada as a fait accompli". He is right.

The Prime Minister will present his record to the voters: his personal integrity, his dedication to public service and his respect to the parliamentary system.

As the member mused yesterday, people in the real world will think that is pretty impressive.

* * *

CANADIAN JEWISH CONGRESS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the Canadian Jewish Congress is known at home and abroad as the national representative body of the Jewish population of Canada.

Since its inception 76 years ago, the congress has acted on behalf of the Canadian Jewish community on a myriad of issues. It was founded as a result of the great emergency of World War I and since then has provided supportive services in Canada.

• (1110)

The CJC set up an Immigrant Aid Society and has helped to sustain German–Jewish relief funds. This fine group relies predominantly on funding from its members and is a wonderful example of a successful organization that thrives because of the strength of its membership.

This weekend in Montreal over 1,000 delegates will congregate for the 24th national plenary session of the Canadian Jewish Congress. This year's theme is "Beyond History: Building for a Stronger Future".

I urge all members of the House to join me in wishing the Canadian Jewish Congress a most successful congress.

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[*Translation*]

MANPOWER TRAINING

Mr. Patrick Gagnon (Bonaventure—Îles-de-la-Madeleine, Lib.): Mr. Speaker, I have the privilege of announcing, for the benefit of the Bloc Quebecois in particular, the names of community organizations that were recently granted federal subsidies for research, job creation and occupational training.

The $2.6 million in subsidies includes $314,000 for the Club de recherche d'emploi; $475,000 for CTI Société Inc.; $391,00 for the Le Portage job training centre; $296,000 for the Centre de formation en options and $425,000 for the Bois-Francs job access service. Not to mention the millions of dollars awarded every year by the federal government to the community development assistance centre.

We can therefore conclude that our government is a welcome and essential partner for these Quebec community organizations.

* * *

[*English*]

MRS. PRISCILLA DE VILLIERS

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, I would like to take this opportunity to congratulate Mrs. Priscilla de Villiers, the president of CAVEAT, who is receiving an honorary doctorate of law from McMaster University today.

This honour is well deserved in recognition of Mrs. de Villiers' valuable and tireless work on behalf of the victims of crime. She has served as director of the Canadian Resource Centre for victims of crime and is a member of the National Crime Prevention Council.

Mrs. de Villiers organized a petition that gathered over two million signatures of Canadians requesting changes to the legal system that would address the issue of violence in society. The success of the petition led to the founding of CAVEAT, Canadians Against Violence Everywhere Advocating its Termination.

Mrs. de Villiers and CAVEAT have done a great deal of valuable work that has resulted in many changes to the justice system to increase the protection for victims.

I am sure all members of the House will join me in extending congratulations to Priscilla de Villiers.

CHILD POVERTY

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, Canadians who are concerned about the welfare of children will be interested in the initiative announced by Lyn McLeod in her Ontario Liberal election platform.

She has promised that if elected she will name a key cabinet minister to be responsible for children's services. This minister will be responsible for improving the co-ordination and delivery of children's services.

The number of children living in poverty and the number of those at risk or in crisis continues to rise in Ontario. More than 500,000 children in Ontario are dependent on the welfare system. One out of three children in metropolitan Toronto alone is on social assistance. This is unacceptable and Mrs. McLeod has recognized it. She knows that the current system is fragmented and confusing to deal with. She identified that involving local communities in the decisions about children's services is the key.

I applaud her foresight and proactive initiatives in the area of children's services. I must ask why the other parties in the Ontario election seem to be—

The Deputy Speaker: The hon. member for Surrey—White Rock—South Langley.

* * *

JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, in 1982 Theodore Speicher and two accomplices kidnapped Sharon Bollivar outside her Vancouver house where she lived with her husband and three children. They wanted Sharon's husband to provide them with all the money from the grocery store where he was the manager.

However, the kidnappers panicked and decided not to go through with the ransom plot. Instead Sharon Bollivar was driven to Burnaby Mountain where Speicher killed her with a single shot to the head. He was subsequently arrested after a shoot-out with police. Speicher received a life sentence with no parole for 25 years.

Today Speicher is suffering from terminal leukaemia and is asking for the mercy of the crown so he can die a free man, surrounded by his family. He wants society to show him a compassion that he refused to give Sharon Bollivar.

When Speicher was sentenced the judge stated that: "If there was ever a case in which parole should never be granted this is it". I fully concur with the judge's comments and I hope the minister sees to it that Theodore Speicher dies behind bars where he belongs.

ORAL QUESTION PERIOD

• (1115)

[*Translation*]

NATIONAL DEFENCE

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the inquiry into the conduct of peacekeepers in Somalia is scheduled to start on May 24. We have just learned that one of the main witnesses in this case, Major Armstrong, who, we will recall, stated that incriminating evidence had been ordered destroyed, has just been sent on a three month tour of duty in the former Yugoslavia.

How can the Minister of National Defence explain that Major Armstrong was sent on a three month mission in the former Yugoslavia just five days before the beginning of the inquiry?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the assignment of Canadian forces personnel is done within normal procedures.

In this case, Major Armstrong is a medical officer with certain skills that are required in ex–Yugoslavia. Any member of the Canadian Armed Forces who is required to give testimony to the commission on Somalia will be available to that commission. The fact that they are in Bosnia, Croatia, Rwanda, Washington, or London does not really matter. If the commission wants to interview any Canadian forces personnel, they will be available.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I would have thought that it would be easier to find another medical officer to send to Yugoslavia than another witness to testify before the commission of inquiry.

Since Major Armstrong is one of the main witnesses in this case, will the minister undertake to postpone his departure so that his testimony can be heard as soon as the inquiry starts?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, this is an independent commission with judicial powers under part II of the Inquiries Act. It is for the commission to decide whom to speak to and from whom it wants to hear. If the commission wishes to hear from Major Armstrong or any other member of the forces, all it has to do is make that known and those people will be there.

We cannot have the normal operations of the Canadian Armed Forces and the Department of National Defence affected simply by the fact that this commission is under way. We have to carry out our duties on a day to day basis. I want to give my friend the assurances that any of the personnel will be available as required.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, in light of the fact that the Minister of National Defence refused to extend the scope of the inquiry to the events in Petawawa, that he decided to restrict access to the documents to be used in the inquiry, that he refused to undertake to release the commission's report and that, all of a sudden, one of the main witnesses in this case is being sent abroad five days before the beginning of the inquiry, are we to conclude from the government's attitude that this is a further attempt to cover up the truth rather than to shed light on the way members of the Airborne Regiment from Petawawa behaved both in Canada and in Somalia?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member has made a number of assertions which are totally, absolutely and utterly false. I resent those kinds of insinuations being made on the floor of the House of Commons. There is hardly a grain of truth in any one of those assertions.

This is a public inquiry. Its results will be made public. I assume it will operate under the glare of the country's television lights and cameras. This matter is totally open. It is civilian led and is something this government has called. This government wants to make sure that all of the troubling accusations surrounding the Canadian forces deployment to Somalia are brought to light. This government has nothing to hide. This government wants the truth.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is for the Minister of National Defence.

This week, the Minister of Public Works categorically refused to break off negotiations with Agusta regarding the settlement to be paid for the cancellation of the EH–101 contract. However, during the investigation in Europe regarding Belgium's EH–101 purchase contract, senior executives at Agusta revealed that the company is in the habit of giving kick–backs to obtain contracts.

• (1120)

In light of these rather troubling developments, how can the minister refuse to investigate the circumstances surrounding the federal government's EH–101 contract with the company? What guarantees can the minister give to the House that the company did not use bribery to get its contract with Canada?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, answering on behalf of my colleague, I want to assure the member that the Government of Canada, certainly this government, has no knowledge of the kind of practices that have just been described.

With respect to the cancellation of the EH–101 contract, the Government of Canada is now negotiating a settlement with E.H. Industries Limited of London, England and the other EH–101 contractors. As the member knows, the company is owned equally by Agusta of Italy and Westland Helicopters of England. Our intention is to arrive at a fair and judicious settlement and to proceed as quickly and as reasonably as possible.

I would say this to the member with great respect for the importance of the question he asked: The onus is not on the government to assure the House that something improper has not happened; the onus is on the member, if he has some evidence, to produce it.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, is it not the government's duty to shed light on this wholé issue?

My question is for the Minister of National Defence. Given that the president of Agusta was arrested last week in Italy on charges of corruption, fraud and unethical practices in relation to several government contracts, how can the minister continue to refuse to investigate the circumstances surrounding the Canadian government's EH–101 contract with Agusta at a time when the government is about to pay millions of dollars for breaking its contract with the company?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I do not know what the member is getting so excited about.

One of the very first actions of this government upon assuming office was to cancel the EH–101 helicopter contract. We are now performing the appropriate duty of concluding this whole arrangement in a responsible and appropriate way.

If the member is worried about people acting under undue influence, and he is raising the notion that someone is being cajoled into acting under undue influence, then he ought to be worried about a government that threatens people with a tax hike if they do not separate.

* * *

SOMALIA INQUIRY

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, on April 24, Ruth Cardinal, the director general of public affairs for the Department of National Defence, addressed the Press Club of Canada.

She discussed the deployment of Canadian forces in Somalia and said: "In the airborne story Dr. Armstrong made some allegations. One of them was that two Somalis were shot in the back by Canadian soldiers. It seemed that his story did not have credence. This autopsy report done by an independent group proved Dr. Armstrong wrong".

My question for the Minister of National Defence is: How can the government tolerate such comments which not only contradict the minister's gag order of November 24 but also prejudice the inquiry?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member is quite correct in saying that in the House late last year, I publicly asked all members of the armed forces and of our department who had any information concerning the matters likely to be investigated by a potential commission to bring those matters forward to the commission once it was established.

If the utterances the hon. member quoted from are indeed accurate, and I have no direct knowledge today that they are although I am not saying they are not, then that individual will be reapprised of what I said before in the House. The individual will certainly be warned that any kind of comments made by anyone along those lines, especially someone in authority within our department, could be prejudicial. Those persons should go forward to the commission.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, national defence is not only going out of its way to discredit the testimony of Dr. Armstrong, but it is actively removing him from any involvement with the commission's inquiry even though his November 1994 allegations compelled the minister to call an inquiry. Dr. Armstrong has conveniently been posted into the former Yugoslavia theatre, just in time for the inquiry to begin.

• (1125)

I heard the minister's answer the first time, but my question is: Why is DND attempting to remove Dr. Armstrong from the inquiry process in seeming contempt of the government's declared resolve to get to the bottom of the events in Somalia?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I answered that question in the following way.

Dr. Armstrong is a member of the Canadian Armed Forces and has certain skills. People have to be posted from time to time. Dr. Armstrong and anyone else who has relevant information will be made available to the inquiry. I will give my hon. friend that assurance.

I do resent the member and his colleagues continually asserting that members of the Canadian Armed Forces and the Department of National Defence and the government in general do not wish to get to the bottom of all the sorry events that unfolded in Somalia. That is false. That is why we have set up and called for the creation of a commission with the most wide

sweeping investigative powers probably in Canadian history. He and all Canadians will get the answers to all their questions in due course.

Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the hon. minister can object all he likes but this is question period and these are the questions which are on the minds of Canadians.

The director general of public affairs was hand picked by Bob Fowler. It is amazing how often that name comes up. This inquiry has been tainted from the start. What role is Ruth Cardinal playing in the Somalia inquiry?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member has just made a very serious charge.

The government has appointed a commission of inquiry under part II of the Inquiries Act. The terms of reference for that inquiry have not been challenged by anyone in the House, by the media or anyone else in the country. Two of the three members of the inquiry are learned members of Canada's judiciary.

I want the hon. member to come forward with absolute proof. Bring the proof to the House of Commons as to why those honourable people on the inquiry are in some way unable to discharge their functions. This inquiry will get to the bottom of all the allegations regarding our deployment in Somalia. I would ask the hon. member that unless he has proof, please do not come to the House and cast aspersions against hon. members especially of Canada's judiciary.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is directed to the Minister of National Defence.

This morning in Belgium, NATO Secretary General Willy Claes was again questioned by Belgian authorities about bribes totalling US $1,720,000 paid by Agusta, an Italian company, in order to obtain a contract for the purchase of 46 EH–101 helicopters by Belgium.

In the light of these new developments, could the Minister of National Defence indicate whether Canada intends to ask that NATO Secretary General Willy Claes be relieved of his duties, at least for the duration of the investigation?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, this is somewhat reminiscent of the earlier questions from the Reform Party.

As I understand it, certain accusations have been made and levelled against members of the party of Mr. Claes when he was a politician in Belgium. To my knowledge, none of those accusations have been proven. It is rather unfortunate that people in public positions have to wear guilt where no guilt has actually been proven.

In the case of Mr. Claes, he is discharging his duties well. He recently visited Canada and met with my colleague the Minister of Foreign Affairs and myself. Unless we have any other reason to believe that Mr. Claes would not be an appropriate person to head NATO, Mr. Claes will continue with the full confidence of all the member countries within NATO.

• (1130)

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, considering that Canada contributes $200 million every year towards the financing of NATO, how can the Minister of National Defence be so optimistic about Mr. Claes's integrity when he is being investigated by the police on a bribery charge?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, unlike hon. members in the opposition, we do not convict people simply on wild insinuations and accusations. If the hon. member or anyone else has proof of wrongdoing involving anyone, including a public servant in an international forum like NATO, then those people, including the hon. member, should make that proof public.

* * *

THE ENVIRONMENT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, for weeks the Deputy Prime Minister has been whining to the national media that the environment is not high enough on the public agenda and she has the gall to blame it on the Reform Party.

The auditor general's report clearly shows that environment is not high on the list because the Deputy Prime Minister has not done anything.

Over 1,000 federal PCB sites have needed cleaning up since 1993, at a cost of nearly $2 billion. These sites may pose a real danger to Canadians. What is the government's timetable for cleaning up PCB sites?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I thank the Reform Party. It has finally asked a question on the environment. It is the first question in a year and a half.

In particular I want to thank the auditor general for focusing on areas which are of very serious public concern. I believe, Mr. Speaker, if you speak to the auditor general he will tell you that one of the reasons he undertook this very thorough environmental analysis was at my request in anticipation of the new role of his department as commissioner for sustainable development.

I will tell the hon. member that last month I gave the order to cancel the federal PCB site program because over the last six years under the green plan millions of dollars were spent to look for places to burn PCBs and they did not find a single site. I did not think it was a good use of taxpayers money. I ordered an end to the program.

I have further ordered that we work with the Department of Public Works to have all federal PCBs burned where there is a legally sanctioned facility in the province of Alberta.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I am still waiting for the answer.

The Reform Party has always said that cleaning up Canada's environment is a top priority and we are on record with that plan. It is this level of government that lacks leadership in the area.

Some hon. members: Oh, oh.

Mr. Harper (Simcoe Centre): You may learn something if you listen. Pay attention.

The auditor general stated clearly in his report that the government has failed to create a national plan or to set money aside to clean up contaminated sites that pose a risk to human health and the environment. Why does the government not have such a plan? Where does it plan to get the money to meet its obligations?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the member obviously did not listen to the answer to his first question.

He asked a question about PCBs. I told him that I cancelled the program because we had spent $20 million travelling around the country and we had not destroyed a single PCB. I did not think it was a very good use of taxpayers money, given that there is a licensed facility in Alberta. I am working with the Department of Public Works. We will meet our agenda. We will meet the 1996 deadline. We will probably have all PCBs destroyed by the end of this year.

I also reiterated the position that we will take responsibility and we will clean up all federal contaminated sites. We will not endorse the concept of orphan sites because we believe in the unanimous resolution of ministers of the environment from every province, which was stated two years ago and restated last year, that the concept of orphan sites leaves polluting companies off the hook.

The commissioner for sustainable development would be the first one to underscore that if company *x* makes a mess of the environment company *x* should pay the liability for the clean up. That is not a liability to be borne by the taxpayers and that is why the federal and provincial governments have banned the concept of orphan sites.

* * *

• (1135)

[*Translation*]

NATIONAL DEFENCE

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, my question is directed to the Minister of National Defence. Last week the Minister of Transport announced that he had asked the auditor general to review the $380 million contract awarded to Hughes Aircraft Canada for automation of the air traffic control system. Work on this contract is already two years behind schedule, and the total cost may be two and a half times the initial cost.

What explanation does the Minister of National Defence have for the fact that his department approved a similar contract for $70 million with Hughes Aircraft Canada, when more than 16 months ago, he was informed by federal auditors of the delays and cost overruns that occurred in the case of the contract with Transport Canada?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, national defence has been working alongside people in Transport Canada and I along with my colleague, the Minister of Transport, on these matters.

Should any changes be required to the defence air traffic control side of these contracts those changes will be made.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, considering the poor performance of the Minister of National Defence in controlling costs and considering that this contract shows cost overruns of 150 per cent, why did he not follow the example of his colleague at the Department of Transport and ask the auditor general to investigate this contract?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, as I have said, the lead on the air traffic control system comes from my colleague, the Minister of Transport. He has taken certain steps with which I concur. Certainly the Department of National

Defence will be co–operating with him and with any investigation done by the auditor general on these contracts.

* * *

AUDITOR GENERAL'S REPORT

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday's auditor general report stated that even the best codes of conduct or conflict of interest guidelines could not protect Canadians from a government that was not fundamentally honest. The report made clear that we could not expect ethical behaviour from public servants if we do not have it from their leadership, the cabinet.

After appointing an ethics counsellor that is completely beholden to the office so that he will forever be able to hide all ethics scandals, how could the Prime Minister expect his public servants to behave ethically even when they know they cannot get caught?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, in addition to all of what I enunciated yesterday in terms of the high level of ethical standards that the government espouses and that the public service carries out, my colleague, the House leader, put before the House a proposition for a special joint committee of the Senate and the House of Commons on a code of conduct.

I understand the difficulty is that the members opposite in the Reform Party are filibustering the attempt to set it up. If they would get behind this effort we could even go an extra step. We already have the ethics counsellor, the code of employment and conflict of interest. We have already changed the Lobbyists Registration Act. We have already changed the certification of lobbyists with respect to contracts. We have done a great deal. I think the auditor general recognized that in his report.

There is always room for more improvement and we will carry out more improvement. A lot has been done. Let them come on side in terms of getting through the proposition the House leader has put before us on a code of conduct.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, there is a great difference between filibustering and promoting a logical solution to a problem. We want the ethics counsellor to be independent. That was my question; that is what I was talking about. That is why my question is again directed to the Deputy Prime Minister.

We noticed that in the last few days no one has questioned the authenticity of the report of the auditor general. No one questions his findings as being inaccurate. No one questions that he is not thorough. We all find him trustworthy and believable. Why? It is because he is independent. That is the reason.

• (1140)

I ask again, again and again until finally I hope the logic gets through: When will we have the assurance that the ethics counsellor will enjoy the same independence as the auditor general has? That is what we are asking and we want an answer to that.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I am glad to hear this praise for the auditor general because we accept his report. I think his report has given some very useful suggestions.

He has pointed out that when it comes to our public service, when it comes to our government, we take a back seat to nobody when it comes to the ethical standards that are practised by the government and its public service. It is comparable very favourably, as he pointed out, to other governments and to the private sector.

The amendments that they apparently want to the motion that my colleague, the House leader, has put before us are to exempt a whole body from any kind of code of conduct. The other House I believe is the proper phrase. I think it is time they showed some good faith in trying to get the matter through so that we can further deal with the matter of ethics.

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is for the Minister of the Environment, and I add that this is not our first question on the environment.

Yesterday, the Auditor General of Canada painted a very sorry picture of the federal government's management of dangerous waste. The government has reallocated over a third of the budget of $150 million intended for pollution management. It has dumped 24 highly contaminated sites onto the provinces. The minister may well speak of orphan sites, but the provinces will be the ones ending up with them. Furthermore, the federal government has provided for no additional funds to clean up the contaminated federal sites that remain.

How does the Minister of the Environment explain that, for lack of new agreements, she in fact unilaterally dumped total responsibility for 24 highly contaminated sites onto the shoulders of the provinces, when human health and the environment are at risk, according to the auditor general.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, first, funding for the Green Plan was extended at the request of the provinces, which asked for more time to clean up.

Second, two years ago we unanimously adopted the policy to put an end to orphan sites because of a request by the Province of Quebec, through its Minister of the Environment, Pierre Paradis, who, at the time, felt that creating a fund for orphan sites would enable companies to avoid their responsibilities—something environmental groups know very well.

We have paid and will continue to pay for the clean up of federal sites. This year, my colleague, the Minister of National Defence, has already paid out over $100 million for clean up. My colleague, the Minister of Fisheries and Oceans, has just paid out a significant sum. We have invested more than a quarter of a billion dollars in a sewer infrastructure program for the Vancouver area. These are joint programs with the provinces.

But we adopted our policy on orphan sites at the request of the Province of Quebec.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, unfortunately, provincial Ministers of the Environment come and go and are not all the same. The current minister in Quebec is much more demanding. However, let us move on to PCBs.

The auditor general also informs us that the federal government will fail to honour its commitments in the Green Plan regarding its own PCBs. The minister is doubtless the only person who believes in the 1996 timetable.

How does the minister explain that the matter of federal PCBs will still be unresolved next year and that, moreover, she will be running the risk of new environmental accidents, again according to the auditor general.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the auditor general mentioned the Green Plan in connection with the sites. As I explained to my hon. colleague from the Reform Party, the federal government has spent more than $20 million without finding a site, as the Government of Quebec did with the BAPE.

Last month, I decided to order federal Department of the Environment to have all federal PCBs destroyed at a site set up and licensed in Alberta. We will meet our deadline. We are working, and I have corresponded with the Minister of Public Works. PCBs will be destroyed starting this month, and we hope to have all of the work completed, not by the end, but by the beginning of 1996.

* * *

• (1145)

[*English*]

ATLANTIC FISHERY

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Yesterday the leader of the third party was in Atlantic Canada spreading doom. I quote: "All you can do is say it's over, particularly in Newfoundland. It's best to take 15 seconds and say the fishery is finished."

Is this true? Are Atlantic fishermen holding onto false hopes, as the leader of the Reform Party has stated? Can the minister give this House a true assessment of the Atlantic fishery?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, regrettably I have to inform my colleague it is true that the hon. leader of the third party, after 15 seconds of deep contemplation and thought about the future of the fishery, did say—here it is on the front page—"it's over".

After his spending this valuable 15 seconds reflecting upon the problem and coming to the conclusion that it is over, I want to inform the people of Canada that indeed the Atlantic fishery still represents a $1.6 billion export industry employing tens of thousands of people in 1995.

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JAMES BAY AND NORTHERN QUEBEC AGREEMENT

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, it came to light earlier this week that the Minister of Justice did not consult with the James Bay Cree, as is prescribed in the James Bay and Northern Quebec Agreement. As the Minister of Indian Affairs knows, they must be consulted on any legislation that will affect traditional hunting rights.

I ask the Minister of Indian Affairs, did his colleague violate the constitutional rights of the James Bay Cree, yes or no?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the answer is no.

I am pleased the hon. member raised the issue of the James Bay and Northern Quebec Agreement, because we were rather proud of that. It was the former Prime Minister Trudeau and the present Prime Minister, who had this job at the time, who actually implemented the James Bay and Hudson Bay and northern Quebec agreement. It is part of our culture, part of our policy, part of our tradition.

I am really pleased that the hon. member has now taken up the issue of treaty rights. I hope I see that in the future when we bring forth these things, and not not what I hear outside of the House with the Reform saying let's get rid of treaty rights, let's not have any more treaty process.

The James Bay and Northern Quebec Agreement talks about fishing and hunting rights. The bill of the Minister of Justice talks about guns and regulation. They are two distinct things. There are rights under treaty to hunt and fish. To take the logic of the Reform, he is saying that the Cree can go out and hunt with a Sherman tank and the Government of Canada would have no

recourse. We are talking about gun registration, not rights of hunting and fishing.

Maybe I should not be so pleased. Perhaps it is just a sign of desperation of how far the Reform Party has gone in trying to save what is now a losing position.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, a sign of desperation is when a minister cannot answer yes or no. Did he violate the constitutional rights, yes or no?

According to Peter Hogg, a leading constitutional lawyer, "Any law that had the effect of impairing an existing aboriginal right would be subject to judicial review to determine whether it was justified impairment".

My supplementary question is for the minister of Indian affairs, who hopefully understands the crown's fiduciary obligation: Is Bill C–68 a justified impairment of aboriginal rights, yes or no?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the Minister of Justice has said on numerous occasions about the right to gather food as a broad right—not necessarily an aboriginal right but an aboriginal and non–aboriginal right—that these rights will be facilitated.

Let us take the logic of the hon. member to the extreme. He is saying that it is okay for Cree to go there and hunt seal or caribou with an AK–47, with an assault weapon, with a Sherman tank. This defies logic; it is incorrect.

• (1150)

What the Minister of Justice is doing does not break the spirit or intent of the James Bay and Northern Quebec Agreement.

* * *

[*Translation*]

ROYAL MILITARY COLLEGE IN KINGSTON

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, my question is for the Minister of National Defence.

Since the Collège militaire royal in Saint–Jean was closed, the Minister of National Defence and the Prime Minister have repeatedly stressed their intention of making the Royal Military College in Kingston the showcase of Canadian bilingualism.

How does the defence minister explain that the information about the Kingston college on Internet is available in English only?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it seems that during my week's absence when I was in Europe the hon. members of the Bloc Quebecois missed me. I certainly did not miss them.

[*Translation*]

I said several times in the House of Commons that the Royal Military College of Canada we established in Kingston is fully bilingual. We put in place all the procedures required to make the college fully bilingual. Most courses are given in both official languages, French and English.

In the future, most of the teachers will speak both official languages, and I think that if the hon. member paid a visit to the city of Kingston, he would see for himself that the Royal Military College of Canada is a truly bilingual institution.

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, my question was on Internet and not on the college itself.

Can the Minister of National Defence promise in this House—although it seems difficult to extract a commitment from him—that corrective measures will be taken and that, from now on, the information about the Kingston college on Internet will be available in both official languages?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, all the promotions for the Royal Military College of Canada in Kingston are in both official languages. If for some reason what the hon. member has said is true, I will certainly look into it.

I have to underscore the fact that all the promotional material and all the required documentation in training is in both languages. In fact, I think I will invite the member to watch a film we have prepared to attract French language students. I think it is something he will want to watch for his own edification.

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INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, just to clarify, the Reform Party does recognize treaty rights as solemn and binding obligations on the part of government.

The minister of Indian affairs has negotiated a draft co–management agreement for three million acres with the Montreal Lake Band near Prince Albert, Saskatchewan, without the participation of the province and without consulting rural municipalities. These are vigorously opposing the draft because it tramples on their responsibilities.

The minister stated on Monday on the CBC that he would not back up "one G— inch" on this issue. Why is the minister being so pig–headed on this issue?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, this assertion on the position of the federal government is so patently incorrect that I am almost encouraged to call it false. But I would not do that because it might get me thrown out of the House.

A year ago January the province of Saskatchewan, the Government of Canada and the FSIN sat down to try co–management in Saskatchewan. At the invitation of the province of Saskatchewan we funded nine areas where we could possibly do co–management, co–jurisdiction in Saskatchewan. We put a draft proposal on the table, the FSIN put a draft proposal on the table, and we are still waiting for the province of Saskatchewan to put a draft proposal on the table.

• (1155)

I have met at least twice with the minister from Saskatchewan in the last two or three weeks, and on Thursday I met with the premier of Saskatchewan. We may be of different parties, but we share the same feeling on the aspirations of aboriginal people.

Mr. Hill (Prince George—Peace River): We know that.

Mr. Irwin: You know that, good. I am glad you know it because you may learn something from that.

We share the same aspirations for the aboriginal people of the country. There has to be adequate sharing of resources if we are truly to get self–government and self–determination, on paper, in the House, something the Reform Party says at the press scrums it supports.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the member for Prince Albert was adopted by binding aboriginal ceremony into the Bird family of the Montreal Lake Band in a powwow about two years ago. Roy Bird, the chief of the band, is an important player in this family. The member for Prince Albert has been co–opted by the minister and is defending these negotiations with his adopted family.

Will the minister not agree that he has placed this member, knowingly or unknowingly, in a conflict of interest situation?

The Deputy Speaker: The hon. minister may reply.

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, if this is an allegation against Chief Roy Bird, it smacks of the usual allegations made by the Reform Party.

I have been working with Chief Roy Bird—

An hon. member: No, the member of Parliament.

Mr. Hill (Prince George—Peace River): You never pay attention.

Mr. Irwin: Then perhaps if the member would clarify—

The Deputy Speaker: We will pass on. The hon. member for Verchères.

* * *

[*Translation*]

AUDITOR GENERAL'S REPORT

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

In the report he tabled yesterday, the auditor general confirms that 274 Canadian diplomats cashed in their plane tickets for an average gain of more than $2,000. What is even worse is that 14 diplomats submitted claims for trips that never took place.

Can the Deputy Prime Minister tell us what disciplinary actions have been taken against these 14 Canadian diplomats, who defrauded Canadian taxpayers of tens of thousands of dollars?

[*English*]

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, the auditor general has complimented our department for taking such quick action in looking at all of these cases. Many of them were committed under the previous administration, but financial restitution has been made. The people involved have been punished, either by demotion or by other means.

I think the hon. member should compliment the government for taking the auditor general's recommendations and implementing them so quickly.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, can the Deputy Prime Minister or the parliamentary secretary explain to us why the Department of Justice decided not to take legal action against the 14 diplomats, despite the RCMP's recommendation that criminal charges be laid against those guilty of fraud in the Canadian diplomatic corps?

[*English*]

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, disciplinary actions have been taken against the people who committed these offences. Not all consequences necessarily have to go through the court system. Sometimes a demotion on the job is much more hurtful than proceeding through other channels.

Again, I must emphasize that all cases were looked into and financial restitution has been made and consequences followed in each case.

CITIZENSHIP

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Citizenship and Immigration.

We all know the government has in place an award that recognizes the commitment and contributions of adults who promote good citizenship in the communities across this wonderful country of ours. What is this government doing to recognize the citizenship contribution of Canada's young people?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the hon. member for his question.

I am absolutely delighted to have the opportunity to advise the House that on April 21 the Minister of Citizenship and Immigration announced the Northern Star Citation to recognize public service and responsible citizenship among Canada's youth.

The new citizenship citation will pay tribute to youth who have contributed in their schools, neighbourhoods, and communities. I can tell the House that the Northern Star is an initiative that is very close to the minister's heart. It recognizes the exemplary citizenship contributions of Canada's young people, anglophone, francophone and allophone, the people who will build the multicultural Canada of tomorrow.

* * *

• (1200)

FISHERIES

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Less than a month ago the government extended Canada's jurisdiction beyond the 200–mile limit in order to catch Spanish poachers who were abusing turbot stocks off the east coast. However in British Columbia six conspirators who pleaded guilty to poaching herring roe were let off with absolute discharges, the last one given the absolute discharge on May 5.

Will the minister show the same concern for the tiny herring and the tiny salmon clinging by their fingernails on the west coast as he did for the turbot stocks on the east coast and launch an appeal of those absolute discharges immediately?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, when it comes to making his case, having ensured that he used a good source for the information he has just given to the House, the member has lost his fingernails. He is skidding on his chin.

I know the member has a genuine interest in the health of the salmon stocks. The individuals in the case in question, because I checked yesterday, pleaded guilty. They entered a guilty plea and it was accepted by the court. The amount of product in question, contrary to reports in British Columbia, which were erroneous, was not $1 million. It was $70 and it was confiscated by the court and returned to the crown.

On the question of whether or not there was confusion and whether these individuals had been advised, I am told by a lawyer that they had a right to engage in this fishery. The judge came to the conclusion that there was sufficient doubt and that no further penalty would be imposed.

With respect to future activity of this sort DFO will prosecute. There can be no doubt that charges would be laid and substantial fines for those who engage in this kind of activity.

The Deputy Speaker: Question period is over, colleagues. Four members were not able to ask questions today, perhaps because of long questions or long answers. I apologize to those four members.

* * *

PRIVILEGE

ALLEGED CONFLICT OF INTEREST

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I rise on a question of privilege.

The Reform Party today made an allegation that the hon. member for Prince Alberta—Churchill River has a conflict of interest because he was honoured by his constituents. That is a fairly serious allegation.

We tend to let most things go in the House because there has to be a give and take in democracy. However, it is fundamental to the rights of any member that he or she can stand up with impunity and charge a member who is not in the House, who happens to be chair of the aboriginal committee, with a conflict of interest, which is illegal and immoral.

I respectfully submit, Mr. Speaker, that you either rule on it or that the hon. member should withdraw the remark.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I did not hear all of the minister's comments, but what I am saying is that there is a conflict of interest or the appearance of a conflict of interest. I said that it was done knowingly or unknowingly. I am asking for the minister's clarification. I would like to pursue this matter. If the minister would like to clarify it for me that would be a good follow up. I will follow up through the regular mechanism of question period.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I would like to comment on the minister's point of privilege. I did not hear how the minister related this matter to a violation of his privileges.

I would also point out that in his point of privilege he made reference to the non–presence of a member of Parliament, which is out of order.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, as you know, privilege is defined as anything which affects the functioning of the House of Commons.

It is stated in Beauchesne's citation 24 that parliamentary privilege is "the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament and by Members of each House individually".

• (1205)

Therefore, it is both. It is not just as it affects a member who was referred to but all members of the House.

The minister was quite correct and quite able to do so. He does have a legitimate case in raising a question of privilege even if it does not necessarily apply to himself. The question was asked of the minister. That is the second reason why it is, I would suggest, quite appropriate and the duty of the minister to bring the matter up.

I want to remind the Chair very briefly of what was said. One member of the House was accused of being in conflict of interest by being co–opted by a constituent in exchange for getting some sort of a reward. Finally, a minister of the crown was said by another member of this House to be pig–headed. All of that was said in the space of two questions by the same member.

The Speaker has ruled on a number of occasions in the past that similar language was out of order. I will give a number of examples. Someone who has apparently reneged on a promise has been ruled out of order by the Speaker. Language far less offensive than that heard today has been ruled out of order. Members making statements that are untrue have been ruled out of order. It goes on and on. Even such words as ignoramus have been ruled out of order.

To make such accusations as have been made, not against one but against two hon. members, one being a minister of the crown, is a point of privilege. I suggest that the Speaker would probably want to take this matter under advisement and rule on it at some point in the future. It is a serious matter that affects all of us in the House.

The Deputy Speaker: The whip to the government has raised a new point of order on the question of the use of the word "pig–headed", if I may quote. Does the member from Powell River wish to speak to that second point of order aside from the question of privilege?

Mr. Duncan: Yes, Mr. Speaker. I have no problem withdrawing that word and using the word stubborn if that would resolve the issue.

The Deputy Speaker: The hon. member then, in the interest of better cordiality in the House, is withdrawing that word unconditionally.

Mr. Duncan: Yes, Mr. Speaker, I am prepared to do that.

To further clarify the situation for the member for Glengarry—Prescott—Russell, I did not accuse the minister of conflict of interest. If he reads the question he will see that I did not do that. I did not say that anyone was co–opted by a constituent. I did not say that anyone had obtained a reward.

The Deputy Speaker: The blues will be reviewed carefully with respect to the question of privilege and if it is necessary the Chair will report back to the House on that question.

* * *

POINTS OF ORDER

STATEMENTS PURSUANT TO S. O. 31

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, during members' statements this morning, the member for Saskatoon—Humboldt misrepresented my comments made during yesterday's opposition motion by using two quotes together out of context. The quotes—

The Deputy Speaker: With respect to the hon. whip, I believe he is questioning a matter of debate. We cannot each be correcting everything that is said with a point of order after statements are made. We would be doing very little else in the House. I would rule that as not a point of order.

ALLEGED CONFLICT OF INTEREST

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, I rise on a point of order with respect to the previous point of privilege. In the event that the Chair decides it is necessary to make a ruling on this matter, I trust the Chair will provide an opportunity for the member for Prince Albert—Churchill River to make whatever contribution to the debate that he might want to make.

The Deputy Speaker: I thank the minister. The Chair has thought of that matter. The member is not here today and if it is necessary he will certainly be given a chance to speak to the matter.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 20 petitions.

* * *

• (1210)

AGRICULTURE

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, pursuant to Standing Order 109, I am pleased to table, in both official languages, the government's response to the fifth report of the Standing Committee on Agriculture and Agri-food, entitled: "New realities and tough choices from Agriculture to Agri-food", tabled in the House of Commons on December 13, 1994.

* * *

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, I have the honour to present the sixth report of the Standing Committee on Agriculture and Agri-food which deals with Bill C-75, an act to amend the Farm Improvement and Marketing Co-operatives Loans Act.

It is reported with no amendments.

[*Translation*]

FINANCE

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 14th report of the Standing Committee on Finance relating to Bill C-70, an act to amend the Income tax Act, the Income Tax Application Rules and related acts.

* * *

EXCISE TAX ACT

Hon. Marcel Massé (on behalf of the Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec) moved for leave to introduce Bill C-90, an act to amend the Excise Tax Act and the Excise Act.

(Motions deemed adopted, bill read the first time and printed.)

[*English*]

PETITIONS

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition which has been circulating across Canada. The petition has been signed by a number of petitioners from the Calgary, Alberta area.

The petitioners draw to the attention of the House that managing the family home and caring for pre-school children is an honourable profession that has not been recognized for its value to our society.

They also state that the Income Tax Act discriminates against families that make the choice to provide care in the home for pre-school children, the disabled, the chronically ill and the aged.

The petitioners therefore pray and call on Parliament to pursue initiatives to eliminate tax discrimination against families that decide to provide care in the home for pre-school children, the disabled, the chronically ill and the aged.

HUMAN RIGHTS

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, in accordance with Standing Order 36, I rise to present a petition signed by 144 petitioners, calling on the government to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation.

BILL C-41

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have a number of petitions to present on the issue of sexual orientation and Bill C-41.

One petition is signed by 69 people proposing the inclusion of sexual orientation. Two other petitions with 88 signatures and 379 signatures respectively request the deletion of section 718(2) from Bill C-41.

ASSISTED SUICIDE

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I have a petition bearing 38 signatures against assisted suicide.

HUMAN RIGHTS

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I have a petition bearing 54 signatures from the campaign for equal families and religious faiths. It calls for an end to discrimination of gay and lesbian people with the inclusion of protection in the Canadian Human Rights Act.

[*Translation*]

POST–SECONDARY EDUCATION

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to table a petition signed by 1,700 petitioners and young students from the Montreal area concerning funding for post–secondary education.

These petitioners pray and call upon Parliament to ask the government to review the whole reform proposal so that education can be regarded as an investment in the future rather than a financial burden to the government.

• (1215)

[*English*]

DANGEROUS OFFENDERS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise again to present a petition to the House in this effort to keep Robert Paul Thompson behind bars.

These petitioners are attempting to bring attention to the government to make our streets safer for law–abiding citizens. They are encouraging the government to enact legislation in order to do the following: One, allow reclassification of offenders as dangerous after sentencing; two, allow the indefinite detention of dangerous offenders after warrant expiry; and three, allow violent offenders to be ineligible for parole until the full sentence has been served.

Mr. Elijah Harper (Churchill, Lib.): Mr. Speaker, last year Sarah Kelly, a constituent of mine, was brutally murdered by Robert Bliss Arthurson, a known sex offender in The Pas, Manitoba.

Arthurson had been previously convicted for sexual offences involving children. He was known to police and social service agencies as a potential threat to children, but they felt under the current laws of Canada and Manitoba that they could not legally warn the community of the threat he posed.

Today I present to the House a petition with signatures from over 2,000 residents of The Pas and other communities. They pray that this Parliament enact legislation to enable courts to notify residents when sex offenders and murderers are released into the community.

I call on the hon. Minister of Justice and my fellow members to join me in finding ways to achieve this.

HUMAN RIGHTS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I have three petitions today pursuant to Standing Order 36.

The first one bears 39 signatures. It indicates that since Canadians believe that all Canadians should enjoy the same protection in law by virtue of being Canadians, the petitioners pray that Parliament not amend the Criminal Code in such a way that sentencing be less severe for crimes against persons who are not in an especially protected category.

Mr. Speaker, the second petition bears 280 signatures. It is similar to the other but is more specific.

The petitioners pray that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include the phrase of sexual orientation and including amending the Criminal Code in such a way that sentencing would be less severe for crimes against persons who are not homosexuals.

GUN CONTROL

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the third and last petition I would like to present today bears 373 signatures, mostly of Elk Island constituents.

It is one in which the petitioners say they are already overburdened by taxes. They do not believe the expensive procedure of registering firearms will have any substantial effect on the reduction of the criminal use of firearms. They ask that Parliament not enact any laws which would require the registration of all firearms.

LIGHTSTATIONS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I rise today to present petitions on a number of issues.

My first petition is signed by over 10,200 people from the west coast. They call upon Parliament to revoke the directive issued by the government to destaff lightstations. The petitioners call for a full public inquiry into the need for staffed lightstations and an acknowledgement of the safety they provide.

TAXATION

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the second petition is signed by 200 of my constituents who pray and request that Parliament reduce government spending instead of increasing taxes.

GUN CONTROL

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I also have five separate petitions, one signed by 130 constituents, another by 61, the third by 54, the fourth by 91 and the last by 283 requesting that government not enact any further firearms control for responsible gun owners, shooting clubs and firearms collectors and that legislation be changed to penalize those who use firearms in any crime.

YOUNG OFFENDERS ACT

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the eighth petition is signed by 163 of my constituents requesting Parliament to review the Young Offenders Act in an open and accountable process which addresses the following

principles: deterrents to the offender; accountability of the offender; and rights of the victim.

DANGEROUS OFFENDERS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the ninth petition is signed by over 130 people, most of whom live in my constituency. They request that Parliament amend the Corrections and Conditional Release Act and the Criminal Code to allow dangerous offender applications to be made just prior to the expiration of the offender's sentence.

• (1220)

The 10th petition is signed by 50 of my constituents. They request radical changes in the present laws to take direct action to impose upon such offenders more severe penalties, especially repeat offenders.

HUMAN RIGHTS

Mr. John Duncan (North Island—Powell River, Ref.): The 11th petition is signed by 150 of my constituents. They request that Parliament not pass Bill C–41 with section 718.2 as presently written and in any event not to include the undefined phrase of sexual orientation, as the behaviour that people engage in does not warrant special consideration in Canadian law.

ASSISTED SUICIDE

Mr. John Duncan (North Island—Powell River, Ref.): The last petition is signed by 27 of my constituents. They pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be vigorously enforced and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

CANADIAN ARMED FORCES

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I have a petition signed by many people from all parts of Canada. It deals with one of the greatest assets that this country has namely, the Canadian Armed Forces.

In recent months the Canadian forces have come under intense media and public scrutiny, some of it very unfairly. Therefore the petitioners request that Parliament at the earliest possible time initiate a wide ranging public inquiry, replacing many which are being convened piecemeal, into the Canadian Armed Forces, including reserves, which will investigate, report and make recommendations on all matters affecting its operations, tasking, resources, effectiveness, morale and welfare.

I want to say that the Canadian Armed Forces is one of the proudest elements we have in this country today. We should all be supporting our forces very strongly.

OFFICIAL OPPOSITION

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my honour and pleasure to table three petitions identical in form and content. The total number of signatures on these petitions is 719 Canadians. They are mostly residents of the Coronach, Swift Current and Bengough districts in my riding.

The petitioners state that the Bloc Quebecois party is composed solely of members from one province. They also state that the Reform Party of Canada has only one less member in the House and represents constituencies in five provinces and is organized throughout Canada. They state that the rights of people residing in nine provinces and two territories cannot be adequately protected by the disloyal, one province Bloc Quebecois as Her Majesty's Loyal Opposition and that this is a travesty on the institution of Parliament.

The petitioners therefore call upon Parliament, in the interests of Canadian unity and parliamentary tradition and to protect the rights of all the people of Canada, to prevail upon the Speaker of the House of Commons to recognize the Reform Party of Canada as the Official Opposition during the remainder of the 35th Parliament.

* * *

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 177 could be made an order for return, that return would be tabled immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 177—**Mr. White (North Vancouver):**

What was the total number of full time employees at each job classification in the respective federal departments for fiscal 1994?

Return tabled.

[*Translation*]

Mr. Milliken: Mr. Speaker, I would ask that all remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

VETERANS REVIEW AND APPEAL BOARD ACT

The House resumed consideration of the motion that Bill C–67, an act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other acts and to repeal the Veterans Appeal Board Act, be read the third time and passed.

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, we are now at the third reading stage of Bill C–67, an act to establish the Veterans Review and Appeal Board, to amend the Pension Act, to make consequential amendments to other acts and to repeal the Veterans Appeal Board Act.

• (1225)

The purpose of this bill is to revamp the process for awarding disability pensions to veterans. The bill also repeals the Canadian Pension Commission. It transfers responsibility for all first level decisions to the Minister of Veterans Affairs. It establishes a Board that from now on will be responsible for reviewing decisions and hearing appeals. Finally, the Bureau of Pensions Advocates, now an independent agency, will become part of the department.

Since this bill was tabled in the House of Commons, I have spoken in debate on behalf of the Bloc Quebecois as the veterans affairs critic. Since first reading of the bill on December 15, we have always said we supported any measures that would speed up the process that helps veterans obtain a decent pension.

Everyone agrees there are substantial delays and backlogs in the current process. Consider that the average age of veterans is 73. A study carried out in 1992 mentioned a turnaround time of up to 18 months in the case of first level decisions and delays of up to 36 months when objections are raised and a decision must be reviewed or appealed. In some particularly sad cases, the delay is unbelievable. Something had to be done to improve the process.

Before the House today is the government's response to this need. A response that has generated both criticism and concern. The federal government has opted for the tried and true to deal with this problem, in other words, for concentrating power in the hands of fewer people. That is why, although we welcomed the intent of the bill, which is to shorten the delay in awarding pensions, we still felt there was considerable cause for apprehension and concern.

We are in fact afraid this bill will not achieve what we all want it to achieve. We are also afraid of the disastrous impact it may have on the vested rights of veterans.

Throughout the various stages at which the bill was examined, we heard many comments, all marked by the same feelings of concern and apprehension.

Considering the merits of the bill's objectives, no veterans organizations took a stand against this legislation. However, these organizations found much to criticize, both regarding the substance and the form of this legislation.

As we approach the final passage of this bill, it may be useful to recall these criticisms. In fact, they led us to formulate certain conditions we feel are necessary to guarantee some transparency in this new process for awarding pensions to veterans.

The first criticism that drew our attention was about the consultation process prior to the bill. A veterans' association complained about the consultation process and wondered why the department had not been evenhanded in the way it selected its partners. It is, of course, easier to consult someone who thinks as you do than someone who objects to your proposals or questions your motives.

Another objection came from the Royal Canadian Legion. Its president said that the proposed changes would not, as intended, reduce by half the time required to make the actual pension payment. That is, not unless most of the first level decisions are affirmative.

However, from now on these decisions will be made by the department, which is said to have a very negative attitude towards veterans. And that is where most of the delay occurs in the current process. This is not very encouraging for the Legion.

We also heard from representatives of Canadian army, navy and air force veterans. They said they were very concerned about losing the services of the Bureau of Pensions Advocates at the first level. They could not understand why the government was proceeding with such sweeping changes when the review of pension assessments had been instrumental in implementing many measures that were all aimed at reducing the turnaround time.

• (1230)

They also fear that the minister will use this power to bring in restrictive policies regarding the processing of claims. The same refrain comes from the Canadian Merchant Service Guild. The guild says that Bill C–67 contains very little to convince them that the turn around time for claims will be reduced.

The guild also fails to see how the new board will be able to eliminate the backlog or how putting power into the hands of one person will achieve the desired result, which is reducing processing time. Therefore, instead of being a reassurance, this bill is a worry. Although its objective is to reduce processing time, there is no reason to believe that it actually will. The government and the officials who drafted this bill are asking us to take a leap of faith. The only thing that we can be sure this bill will do is reduce veterans' services, mainly the legal services at the first level. We can also be sure that it concentrates power within

branches and the department, and that ultimate power will lie in the hands of the minister.

Despite all of these criticisms, these worries, there is one glaring reality which will not change, that is the time required to process claims.

I would like to point out to the House how long these lags are. We all know that, from the time we are born, we are all relentlessly getting closer to our deaths, and that, once we reach a respectable age, we all realize how little time we have left. How can we tolerate that the applications submitted by veterans, whose average age is 73, get bogged down in the bureaucracy, that veterans have to wait ages and ages while their health deteriorates and their standard of living suffers?

I would like to give you two examples. In its February 23 issue, *Le Journal de Québec* ran a story on Yvon Bureau, a former member of the Royal 22nd Regiment based in Valcartier. On April 17, 1964, while on a peacekeeping mission in Cyprus, he was injured. After waiting 30 years, the government finally decided that he was entitled to a pension. It took them 30 years. They maintained that his condition was not related to his service, to the accident he had in the line of duty. They even had him consult a psychiatrist. And it was only recently, after the government obtained opinions from many different experts, that his right to a pension was acknowledged. But he is not finished waiting yet, because he was not granted benefits for those 30 years he was waiting. He will have to take his case to all of the avenues of appeal, if not to the Federal Court, in order to obtain full and true justice.

There are many other similar cases. For example, Frances Crummer, a very worthy person who was willing to submit a paper to the standing committee reviewing this bill. Mrs. Crummer, the widow of a veteran, has stopped counting the years she and her late husband had to put up with the pension system and all of the paperwork they have done. She went through three applications, one after the other: the initial application, the application for review and the application for appeal. She went to the hearings of the review board and of the assessment board. After going through nine decisions, two amended decisions, one decision in the form of a letter, eleven appeals and six hearings, Mrs. Crummer still has not given up, but that does not deter her from harshly criticizing this bill.

After seeing such examples, how can we claim that the current bill will prevent similar situations? In one case, the file was studied for 30 years and, in the other, it took 12 decisions for the applicant to gain some ground. In my opinion, the problem is simple: there is either a lack of will to resolve problems or, simply put, people are making sure that they continue to have work by taking their sweet time closing files. If this is the problem, it is not only scandalous, but absurd.

• (1235)

The review of pensions by two consulting firms and the department in 1992 at a cost of $670,565 concluded that it could take 18 months for a first level decision and up to 36 months, if there were complications. Given this information, you will understand our desire from the outset to be involved as much as we could in a bill that would identify the system's shortcomings and propose corrective action to remedy them.

This is not to be, however. We note that the shortcomings are not clearly identified, that the proposed merging of agencies in favour of the department and the new board will serve much more to consolidate the minister's authority, that these measures limit services to veterans and, finally, that it is not clear that all these changes will accelerate the process.

Is this not, perhaps, a backhanded manoeuvre by the Minister of Finance and his budget to save a few bucks on the backs of the veterans? Is it not, perhaps, instead a less than subtle way to find positions for the party faithful? I can assure you that these questions are foremost in the minds of anyone who examines the bill for what it is and not for what it claims to be. Naturally, we have received no answer to this sort of question. There is, however, one thing we know for sure and that is that the bill will do nothing to reduce the time required to settle veterans' applications, because it fails to deal with the basic problems.

These problems, as the review clearly indicated, are: duplication and cumbersome operation, the slowness in implementing computerized communications and, most of all, the acknowledgement, in practice, of the veterans' right to priority treatment at the medical specialist's office. Nothing in the bill deals with these problems. Our approach in reviewing Bill C–67 was guided by our desire to help reduce delays and to ease as much as possible the concerns expressed by both veterans' associations and experts.

That is what we tried to do during clause by clause consideration and at the report stage before the House. Our proposals in this regard were rejected, and that is unfortunate. We, however, still feel that special measures should apply to the physicians and medical experts who become involved in the award application assessment process.

For example, whenever the minister exercises his power to order an applicant or pensioner to undergo a medical examination, he should require that the designated medical expert give priority to his request by conducting the examination and reporting results as expeditiously as possible, as is done for any review or appeal application to the veterans board.

When the board seeks the advice of an independent medical expert, it should instruct this medical expert to give the applicant or appellant the required examinations without delay and

report examination results as soon as possible. Similar measures would save a lot of time, since many witnesses have testified that medical visits and examinations account for a large proportion of undue delays, something about which the government has not yet summoned the courage to intervene.

I can understand that the medical profession is subject to quotas, that it is free to decide how to run its business, and that it is a very delicate matter to ask a professional to fit more patients into his or her appointment book. At least, those are the excuses we heard from the Liberal members on the committee. However, the question we must ask ourselves is this: When we decided to send our young people to the front, on the eve of a promising future, to put their lives on the line to defend their country, did we ask them if they had appointments? No. We did not ask their permission. These young people decided to serve in the military because of a sense of duty, a sense of honour, a sense of urgency. They were there when their country needed them; they did not make anyone wait. It is not the physicians we should be concerned about in this case. We should only be concerned with the person who is aging and cannot afford to go through the regular channels. Our society must recognize that, on the basis of the sacrifices they made, we owe our veterans the privilege of coming first in our health care system. I hope that physicians will hear this reasoned and heartfelt appeal.

• (1240)

We also rose in this House at report stage to try and obtain guarantees for veterans, in this respect. We suggested ways of accommodating concerns expressed regarding concentration of powers in the hands of the minister. We suggested a more transparent approach to selecting the members of the new board, one which would require that the provinces and the standing committee be consulted before any member is selected. But this solution was rejected by the Liberal majority, who did not want this greater degree of openness and democracy.

The Parliamentary Secretary to the Minister of National Defence and Veterans Affairs mixed everything up, claiming that our initiative would weigh down the processing of applications. It would not. We know very well that appointments are for ten year terms. Moreover, the bill includes transitional provisions that should ensure a smooth transition to the new Veterans Review and Appeal Board.

This refusal by the federal government to consult the provinces and the standing committee on appointments to the board shows how little it cares about the provinces and about openness. Under the circumstances, the government can well be accused of wanting to centralize more than ever and of ignoring the provinces. It can well be accused of wanting to put its own benefit and that of its friends before the public interest by taking advantage of public issues in this way.

Bill C–67 fits in perfectly with such bills as Bill C–65, Bill C–76 or Bill C–43 on lobbyists. This bill reflects the federal government's will to centralize. No wonder it is concerned. Out of concern for efficiency, having failed to remedy the inadequacies of the Canadian Pension Commission, it is now concentrating the whole first level decision making process in the hands of the minister, rebuilding a two tiered board, the membership of which will come from political appointments made without any consultations, and concentrating legal assistance at the level of reviews or appeals before the new Veterans Review and Appeal Board. These services are being transferred to the department so they will be easier to control. Now that is typical of this government.

There is a great deal to criticize in this bill. However, the need for change tends to override any criticism, at least that is the message we get from veterans associations that did not openly oppose the bill. In their representations we read a desire to reduce delays, even if this meant making some concessions in terms of services or opening the door to arbitrary decisions.

That is the main reason why we will support Bill C–67 on third reading. However, as is the case with the veterans associations, our support is mingled with a great deal of concern and dissatisfaction. I feel we could have done far better. I think we could have considered, first and foremost, the interests of those who risked their lives and defended our freedom at the cost of physical and mental suffering. At a time when we are given this opportunity to commemorate our veterans, that we have failed to do so is unfortunate, disturbing and indeed distressing.

Keeping our commitments to them is even more important than expressing our gratitude. We must not forget that the 50th anniversary of the end of the Second World War will probably be the last time those who experienced these historical events come together to participate in these ceremonies.

There are still about 3,000 World War I veterans, 505,000 veterans of World War II, now averaging 73 years of age, and we also have 20,000 veterans of the Korean War.

• (1245)

I realize that military personnel who participated in UN peacekeeping operations will apply for disability pensions, but not in the same numbers as after the Second World War.

That is why we must deal with the backlog in processing pension applications as soon as possible. With our support on third reading, I would nevertheless urge the government to reaffirm its commitment to our veterans. It must give them the assurance that giving applicants for disability pensions the benefit of the doubt is not just an empty phrase. The new section

in the Pension Act, section 5(3) introduced in clause 47 of the bill, and also section 39, must become part of the process.

It is essential that from all the circumstances of the case and all the evidence presented either to the minister or to the new board, every reasonable inference be drawn in favour of the applicant. Any uncontradicted evidence must be accepted. Any doubt, in the weighing of the evidence, as to whether the applicant or appellant has established a case must be resolved in his or her favour.

Only then will the principle of benefit of doubt become part of the process, and only then will the new pension award system introduced by this bill reflect the initial intent of the legislator with respect to our policy for compensating our veterans.

[*English*]

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Madam Speaker, yesterday I returned from the Canada Remembers ceremonies in the Netherlands. I will never forget this truly emotional experience for Canadian veterans and also the genuine expression of gratitude the people of Holland displayed for the Canadian liberators of their country. The bergermeester of Arnhem told that in relation to their actions, Canadian veterans are far too modest.

I have always felt a deep appreciation for the veterans of our country. Until I visited the graves of fallen Canadian soldiers, sailors and airmen in the Netherlands and Germany, I did not have a true understanding of the death and devastation that took place 50 years ago. Being born 10 years after the war, it was not part of my personal experience, aside from Remembrance Day each year.

Canadians should always remember over 6,000 Canadians have their final resting place in Holland and in Germany. As I walked through the rows of white headstones in Groesbeck, Arnhem, Bergen–Op–Zoom, Holten, Reinberg and Reichwald war cemeteries, I was shocked. The events of 50 years ago were enhanced in my mind by the ages of those Canadians who died. Many were 18 and 19 years old. We truly lost a generation. Their contribution must always be remembered.

For those veterans who returned to Canada, we have an obligation to ensure legislation is in place to effectively and efficiently deal with their disabilities.

The raison d'être for Bill C–67 is to speed up the time veterans wait when applying for a disability pension while clearing the backlog of some 12,500 veterans currently awaiting a decision on their claim without removing any of the rights and benefits veterans currently possess.

The government has promised to accomplished this task in two years. This is a commendable goal, enthusiastically endorsed by the Reform Party. As co–critic for defence and critic for veteran affairs, I would be more than happy to speak in favour of a bill that promised to accomplish this. However, like many veterans, I am doubtful whether this bill will succeed.

• (1250)

After carefully analysing Bill C–67 and after consulting veterans, grassroot veterans organizations, advocates of veterans, former and current employees of the Department of Veterans Affairs and former members of the Canadian pension commission and the veterans appeal board, I still have grave concerns about this piece of legislation.

The thing that must be answered is why veterans who currently average 73 years of age have to wait up to five years to receive a disability pension. For the record, the current situation is appalling. When a veteran applies for a disability pension at the first level he must wait 18 to 20 months for a decision. Seventy per cent of those who apply are turned down. The veteran then must appeal the decision and is often forced to go through two levels of appeal before a final decision is made. This can take another three years. Seventy per cent to eighty per cent of those who appeal do receive a pension, albeit often at a lower amount than expected. This is for those who are still alive after applying or appealing.

It is sad to say that because of the age of these veterans many never collect their disability pension due to the time factor and actually pass away during the process.

Let us look at the reasons for these delays. In an enlightening presentation to the Standing Committee on National Defence and Veterans Affairs that ruffled more than a few feathers, Mr. Hugh Peacock, a pension advocate with the Royal Canadian Legion and a former employee of the Canadian pension commission, stated the delays are caused by a variety of factors that can be addressed without introducing the reforms presented before us today in Bill C–67.

He gave the example of a typical case that he had chosen randomly from his files and outlined where the delays come from. When the advocate sent the first level application to the Canadian pension commission in Charlottetown for processing it took eight weeks from the time it arrived to create a file on a case. Then documents were ordered from the National Archives. They took 10 weeks to arrive in Charlottetown because the National Archives does not like original documents to be sent to Charlottetown, which is completely understandable.

Therefore photocopiers at the Department of Veterans Affairs, headquartered here in Ottawa on Wellington Street, must photocopy some 200 pages of material so the case can be sent to the CPC in Prince Edward Island. Once in Prince Edward Island it took five weeks for someone to review the documents and to write a precis of the case so medical advisors to the Canadian pension commission could read all of the documents. The

medical advisors took another seven weeks to make a recommendation on that case.

The Canadian pension commission then took six weeks to make a final decision. After its decision was rendered it took another six weeks for DVA to inform the veteran of that decision. That totals 42 weeks for an elderly veteran to wait for a decision on his claim. It is clear where the delays lay. It is clear the fateful decision to move the Canadian pension commission to Charlottetown is largely responsible, though not exclusively, for the delays.

This experiment in regional economic development has cost veterans dearly and I hope the government has learned a very valuable lesson from this unfortunate and unnecessary story.

I have spent a considerable amount of time detailing where the delays come from because I want to establish a very important fact. The current independent bureau of pension advocates, its lawyers and paralegals are not responsible for these delays.

• (1255)

The goal of the legislation is to speed up the time it takes veterans to get their disability pensions without the veterans losing any of the rights they currently possess. This is also the aim of the Reform Party, yet we disagree on the means to this end.

One of the main points of disagreement centres on whether the bureau of pension advocates should remain an independent body at the disposal of veterans at the first level or whether it should be moved and made a part of the Department of Veterans Affairs at the appeal level only.

A number of arguments have been made by the standing committee on defence and veterans affairs and in the House in this regard and I have reviewed them extensively. After careful consideration I have concluded the bureau of pension advocates should remain an independent body at the disposal of veterans. Why? I fail to see how removing the bureau from the first level will save any time in the current system. The only way to speed up the system is to ensure more applications are accepted at the first level. These applications must be well prepared because the department currently rejects 70 per cent of them but goes on to accept 80 per cent of the appeals at the second or third level.

The typical time it takes for the bureau lawyer to prepare an application is in the area of two to three months, a modest period of time to prepare a case when the veteran knows he will be forced to do battle with the department to receive his disability pension.

The remaining delays at the first level, which commonly take a year and a half, are the responsibility of the department. Ironically, the government feels removing the bureau from the first level will speed up the system because it will focus on appeals only.

Under this legislation the government intends to have a departmental clerk assist the veteran in filling out the first level application. The first level decision will then be adjudicated by the department, not the Canada pension commission. It could be true that the first level decision will be faster, but will the acceptance rate be greater than 30 per cent? Given the department's past record of rejecting 70 per cent of first level applications, I have to question that.

If the veteran has to appeal the case he has to then go to a bureau lawyer who now is not working for the veteran but working for the Department of Veterans Affairs. The lawyer who answers directly to the minister must start to prepare the appellant's case from scratch, which will take months or years because nothing in the bill speeds up the appeal process which currently takes up to three and a half years.

If the government intends to focus all of the bureau's resources at the appeal level it is obvious the first level acceptance rate will not increase. The intent is obviously not there. The majority of veterans will still have to wait years to get their disability pension. With the average age of veterans approaching 74 this is too little, too late.

I firmly believe that if the process is to be speeded up the first level acceptance rate must be increased so there are few appeals. The way to accomplish that is twofold. First, have first level applications expertly filled out by a bureau lawyer so the veteran's case is solid. Second, the department should consider the success rate for past appeals, which is about 80 per cent, and use the benefit of the doubt clause more liberally to increase the first level acceptance rate. This two track approach would substantially speed up the system and serve the best interests of veterans.

Now I will tackle the issue of veterans' rights. Last week the hon. member for Bonavista—Trinity—Conception stated the bill would not take away any of the current rights of veterans. This is not fact but it is a point of debate. I would argue that Bill C–67 takes away the rights of veterans in a number of areas.

• (1300)

It removes the Bureau of Pensions Advocates from the first level of decision making by adding it to the department. This calls into question the veterans right to solicitor/client privilege.

At the first level the veteran will deal with a pension officer or paralegal who works directly for the department, not an independent lawyer or paralegal under the direction of a lawyer. Thus at the first level solicitor/client privilege is lost.

If the veteran errs in the information given to his pension officer who works for the Department of Veterans Affairs, it could be used against the veteran when his case is adjudicated by that department. This is a conflict of interest. It presents an arrangement that precludes any sort of confidentiality between veterans and pension officers.

The veteran also loses solicitor*client* privilege at the appeal level. He has access to a bureau lawyer. However the lawyer is no longer an independent solicitor who keeps the veteran's case in confidence. He is now an employee of the Department of Veterans Affairs. His paycheque comes from the Department of Veterans Affairs. I conclude this is a conflict of interest and works against veterans.

How can the veteran be confident that the information he gives the bureau advocate will not be used against him when the advocate works for the department and not for him? The veteran is already angry and frustrated that he has to appeal his case in the first place. Now he has to trust another departmental employee with his case. Therefore under this legislation veterans will lose the right to solicitor*client privilege.*

I foresee another difficulty with the Bureau of Pensions Advocates being removed from the first level. Under Bill C–67 the size of the bureaucracy will be increased and the minister will be getting more power to influence the department's internal affairs.

I think every member of the House would agree that bureaucracies in the country are too big as it is. Under these proposals the minister may have undue influence over the whole decision making process, the quality of service or the rate of acceptance.

Departmental employees will be vulnerable to receiving direction that could deter from encouraging veterans to pursue benefits and services to which they are entitled. They will also be under pressure to take part in fiscal restraint. Even an offhanded comment by the minister could affect the way his staff deals with veterans. We only have to look at the way the money markets danced and sang to the finance minister's prebudget comments, to the detriment of Canadians.

Veterans will lose a number of other rights under the legislation. I have offered the government a number of amendments that would have corrected the situation. I was in consultation with many groups of veterans including the Royal Canadian Legion which represents some 250,000 veterans. The member opposite does not have an ear for listening to grassroots consultations.

However it must be stated that it is totally unclear at this point what the regulations will say. We have not even seen the regulations or even know for a fact that they exist. The rights of veterans under Bill C–67 will no longer be law. The government has said that they will be in regulations. This is extremely important. Regulations can be easily changed behind closed doors, while laws must be changed in full view of the public.

I conclude my remarks by stating that Bill C–67 is a bad piece of legislation for Canada and for Canada's veterans. This is unfortunate because we have lost an opportunity to speed up the process so that veterans get the service and the pensions they deserve. Instead veterans face more delays and a decrease in their rights and services.

• (1305)

Without a commitment on the part of the government to increase first level acceptance rates this cannot be legislated. The majority of veterans will be locked into a lengthy appeal process without an independent advocate or paralegal to guide them through. The veteran is now faced with the prospect of dealing with yet another bureaucrat that works for the department.

I call on all members of the House to vote against Bill C–67. During the Remembrance Day ceremonies in the Netherlands that I took part in "The Last Post" was played at each and every one of the ceremonies. Let everyone in the House vote against the bill which sounds the last post for the rights of Canadian veterans. They fought and some of them died so that we would have the freedom to vote for what is right and for what is just. For once, let us have the courage to vote that way.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, Canada has the best veterans legislation in place of any country in the western world. Only France comes close to it.

Let us not be too negative. As we discuss the bill and talk about these issues in the House of Commons let us remember that the veterans whom we have honoured, and rightly so, over the past number of days were not always against something. They were for something. They went out and fought for freedom. They fought for the world we enjoy today. They fought for this country today. We should not say all the time that they fought against something.

We have legislation before us now that is among the best in the House. We have another example of the new decorum brought to the House by the Reform Party. Its members are trying to shout across the floor and raise a disturbance. They were to come here to bring a new dignity to Parliament.

I would like to add a few words of support for the legislation that the Secretary of State for Veterans has brought forward to improve the veterans pension process. Veterans pensions are awarded for disability or death related to military service. Civilians who served in close support of the Canadian Armed Forces during wartime may also be entitled to pensions. Addi-

tional pension benefits can be paid to a pensioner's spouse and dependent children. Survivor pensions are payable to the spouse of a deceased pensioner.

When we take all recipients into consideration we find that some 150,000 Canadians receive veterans pensions. The 1995 rates provide for a minimum of $81.50 per month for single pensioners and $101.88 for married pensioners. The maximum benefit paid per month is $1,629.97 for single pensioners and $2,037.46 for married pensioners.

Most of my colleagues on both sides of the House already have direct experience with the current pension process. In every province and territory we find veterans or other dependants who receive the benefits. In Ontario alone we find over 51,000 pension recipients. This is because Canadians from all provinces and territories served our country in the two world wars, Korea, and with the regular forces on peacekeeping missions. They served Canada well. Now it is time for Canada to pay its dues by making sure veterans receive the pensions they deserve.

• (1310)

Veterans do not deserve the delays they have encountered under the current system. Systems have to be updated. It is a sad state of affairs when a veteran has to wait 18 months or up to three years in some cases after the first application before he or she can receive a pension.

The people at Veterans Affairs Canada are doing their best to speed the applications through the system, but the people at the Bureau of Pensions Advocates, the Canadian Pension Commission and the Veterans Appeal Board are trying hard to clear away the backlog of applications, but it gets harder every day.

The whole system is overloaded right now. I understand that about 13,000 veterans are expected to apply for pensions this year. The administrators are doing what they can with the system that is now in place. It is high time we changed that system. The people who work in the current system want to see it changed. They know they could serve veterans more effectively if the process were streamlined. Veterans also want to see their cases settled more quickly.

I am sure there is hardly a member in the House who has not at one stage or another been asked by a constituent to help them out on a veteran's case.

The current process dates back to 1971. Individual parts of the administration of veterans pensions have been studied and changed since that time, but there has been no comprehensive reform of the entire process. The consequence of the piecemeal changes has been that an already complex process has become even more complicated and cumbersome. The measures before us will simplify the process from start to finish.

In 1992 Veterans Affairs Canada conducted a study that identified a number of ways to improve the pension process. One of the most important ways of improving it was to speed up the turnaround times. Many of the recommendations of that 1992 study have been implemented. However, to reduce turnaround times we now need the legislative changes included in Bill C–67.

The legislation before us provides legislative change directed to giving effect to three proposals. First, responsibility for decisions will be transferred to Veterans Affairs Canada for the Canadian Pension Commission. Second, the Bureau of Pensions Advocates will become part of Veterans Affairs Canada and will concentrate on preparing cases for appeal. Third, the Canadian Pension Commission and the Veterans Appeal Board will be merged to create the new veterans review and appeal board.

There will be no changes to benefits under the legislation. The two–tier appeal system will be maintained. Whereas the Canadian Pension Commission now decides on first applications and first appeals and the Veterans Appeal Board decides on final appeals, under the legislation before us the new veterans review and appeal board will be responsible for two levels of appeal.

It is important to make very clear that veterans are not losing their appeal rights under the legislation before us. The new board will speed up the turnaround time. It will address the current backlog of cases awaiting appeal, but it will not deny appeal rights to veterans who have been told by Veterans Affairs Canada that they are not eligible for pensions, or who are not satisfied with the amount the department has awarded them.

The new board will continue to report to Parliament and its members will continue to be governor in council appointees. The permanent membership of the combined board will eventually be reduced by eight, but only after the backlog has been eliminated. By unifying the Canadian Pension Commission and the Veterans Appeal Board into a single appeal body, the government is helping to pare down the system. This is part of the government–wide review of agencies and commissions led by the minister responsible for public service renewal. The objective is to simplify public sector structures and streamline their operations wherever possible, while improving service to the public.

• (1315)

That is why we should support this bill. I am sure that all members of this House recognize the importance of providing better service and faster turnaround times for our veterans. I am sure that all members endorse the objectives of streamlining the operations of government agencies, boards, and commissions.

In the recent days of remembering the veterans who fought and remembering the 50th anniversary of the ending of World War II, we saw many heart–rending circumstances. I remember on one occasion when I was in Holland with a number of members from this House of Commons we had ceremonies before our cenotaphs over there. In the Groesbeek cemetery, as

we prepared to have our memorial cenotaph ceremony the farmers in the field surrounding that area left their horses standing in the field and left their hoes and other tools in the field and came over and stood around the cenotaph with us.

We know that the Dutch feelings have been poured out to Canadians, not only during the last number of days but indeed during the last 50 years. It is one reason why we cannot hesitate for one moment to try to provide better medical services for veterans in this country. At the same time, we must remember the people who today are serving in the Canadian Armed Forces in very difficult areas of this world.

Medical attention to veterans is very important. When we consider that the average age of World War II veterans today is 73 years, it becomes more important that the process for their receiving pensions that are coming to them is speeded up.

We all remember the days of our youth when young people were going off to war, whether it was the Korean War or the second world war. Others remember people leaving for peacekeeping operations. I remember very well that when I was in elementary school we had truckloads of these young Canadians passing by our rural school on their way to their training base and indeed some of them on their way overseas. They threw chocolate bars and candies to us in the schoolyard as they went by. Today these are the people we are talking about in this House of Commons. If there is any way we can speed up the process, get them their pensions, and make their days more comfortable at this time, then I am sure that is the objective of every member of this House.

If we do not remember our veterans, if we do not look after them, then we as a nation are not keeping faith with those who died. They are their buddies. For those who returned home, it is our duty and the duty of any government and the Parliament of Canada to support anything that can be done to make the lives of our veterans more comfortable in the days they have left.

I would ask the House to give third reading to this bill today so that we can get on with the process of putting it into place to try to get that backlog cleaned up in the meantime and make the process much speedier for the future without damaging the quality of service that is given to veterans in the hearing of their cases.

• (1320)

[*Translation*]

Mr. Godin: Mr. Speaker, because I was a member of the committee that studied this bill, and since they are talking about fast-tracking the process at some point or other, I would like to ask my colleague to explain why it is such a long process, because it makes no sense at all that it takes so much time.

Earlier, I gave two examples: the case of the veteran who has been trying to obtain a pension for 30 years and the case of the applicant who has now received, I think, some 12 or 14 decisions, but is still awaiting the verdict.

In committee we were told that only 30 per cent of all cases brought before the Canadian Pension Commission were accepted while 70 per cent of all cases subsequently submitted for review were accepted. Why? The commission could not explain this, it never looked into it, wondered, etc. The question I have always asked myself is whether partisan appointments to this commission were the reason.

At a certain point, the Bloc Quebecois proposed that from now on—do not forget that these people are appointed for 10 years—the provinces be consulted, that the process become more transparent and that the government start appointing people for their competence and not their political affiliation. I was surprised that the Liberal Party opposed the idea at the time. I would like to hear the hon. member's comments on the issue.

[*English*]

Mr. Hopkins: Mr. Speaker, I want to thank the hon. member for his question. He is quite right. If we want to talk about partisanship, I do not know the people who served in those positions, so I am not in a position to comment on their partisanship or otherwise on the floor of the House. However, I can tell the hon. member that it is the policy of the government to appoint well-qualified people to any boards or commissions that require appointments in the country, and the level of appointments to the various veterans boards will indeed be of good quality people.

The other thing that has to be considered is not just their qualities academically, but they also have to have humanitarian qualities. They must have an understanding and a feeling for what they are doing. If you do not have a feeling for what you are doing when you deal with people's problems, that is when you run into difficulty.

The hon. member probably hit it on the head when he mentioned partisanship. Anybody can talk about partisanship when they are in opposition. We used to do it ourselves. We are hearing the same thing today. However, I do not want to get into that, because it is a non-winner for everybody. The only thing that is a winner for the veterans of this country is that they get speedier service and that the people who are making those decisions are indeed qualified to make them, both from the understanding of the case before them and their feeling for the subject with which they are dealing.

Sometimes cases are held up because all of the information is not there. I have dealt with cases myself where if I had had the information that was given to me several days or months

afterwards I could have had the case pushed forward much more quickly for the veteran. Everyone along the line must have a real feeling for veterans issues. The appropriate information must be in the hands of the decision makers.

• (1325)

I could not agree more with the hon. member that the quality of people making the decision is extremely important. That is why any appointees in that area of decision making or any other area of decision making in government, in the public service, on boards or commissions, must be of the highest calibre of both personal and academic qualities.

Mr. Ringma: Mr. Speaker, is this on debate?

The Deputy Speaker: We are still on questions or comments. Is the member rising on questions or comments?

Mr. Ringma: No, I am not.

The Deputy Speaker: I see no one else standing. Resuming debate, the hon. member for Nanaimo—Cowichan.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I would like to talk about waiting. I have been waiting all week to get in a few words on this bill, with the vagaries of government.

I would like to ask the Speaker if this debate is now cut off in five minutes.

The Deputy Speaker: Yes.

Mr. Ringma: So I have five minutes.

I would like to start by saying that the intention of Bill C–67 is indeed good. I agree with the words of the hon. member for Renfrew—Nipissing—Pembroke that we must give veterans all the recognition possible and speed things up.

This bill proposes to reduce the existing backlog of appealed pension cases and shorten the decision time. I do not think, with the way they are going about it, this will be achieved.

The big thing I want to put front and centre is that I totally object to the removal of the Bureau of Pension Advocates from the first level. This is something that has given veterans the real representation they need to make their cases. By withdrawing it from that level and putting it into the second level the government is doing them a real disservice.

The intent of the bill is to cut down the waiting time. I really wonder about that. I would like to share some of my experience with members of the House.

Let us look at recognition of veterans today. How long does it take for us to recognize what is happening? It has taken us over 50 years as a government, the Liberals or the Conservatives or whoever, to recognize the merchant navy. Merchant navy people have been trying to plead their case for all those years. Finally we are doing something about it.

It took veterans of the Korean War 40 years to get a medal of their own. They said they thought they deserved something more than just a British Commonwealth medal or a United Nations one. It took 40 years for that.

Dieppe was one of the costliest battles of World War II, the Dieppe landing. It took 50 years to get just a little clasp for a medal to recognize that very significant action, debatable action though it may be, at Dieppe. It took 50 years for that.

We are still waiting for a Canadian volunteer service medal for peacekeeping operations. A proposal was put to the House to achieve it, but it was negated by the House. So those veterans are still waiting.

All in all, National Defence and Veterans Affairs are very slow in reacting to anything. I suspect that C–67 is not going to improve that at all.

Over my lifetime I can look at hearing problems within the military and of course with the veterans today. Hearing was recognized as problem, with people going onto the firing ranges and practising weaponry with no ear covers whatsoever. The result is that many of us have hearing loss today. It took years, literally decades, for the departments to recognize the problem and do something about it. That has left today's veterans with the same problem.

Many of us went up to Atomic Energy of Canada Ltd. in Chalk River to clean up nuclear spills. The departments of national defence and veterans affairs to this day are putting their hands out saying that they will not talk about it.

I went to clean up a spill in 1952 or 1953 and as a result, I became ill. When I retired some 30 years later, I put down as part of my release procedure that I had been subjected to this problem. Neither national defence nor veterans affairs would give recognition to it.

On agent orange, our people have been to Vietnam. Perhaps they have been subjected to the effects of agent orange.

I could go on but I see the Speaker is getting ready to close off debate. I must respect the Speaker's right.

The Deputy Speaker: The hon. member will have 15 minutes the next time the matter is debated. I apologize for interrupting his speech.

Mr. Boudria: I rise on a point of order, Mr. Speaker. I know there are differences of opinion on some of the clauses of the bill. Notwithstanding that, I wonder if there would be consent to proceed to the vote. We could amend the bill as some members want in committee. I know that Monday is a very important veterans day for the war amputees in Canada. Perhaps we could do that. Some of the remarks of the hon. member could perhaps

be heard at third reading instead. I found his remarks very profound and interesting, given his vast knowledge.

Given the interest of so many people, I wonder if by unanimous consent we could do that because it involves improving benefits to so many Canadians who deserve it so much.

The Deputy Speaker: The point has been made that we are at third reading of the bill, so there will not be a committee process for the bill to go through. We can do it by unanimous consent.

An hon. member: No.

The Deputy Speaker: There is not unanimous consent.

It being 1.30 p.m., we will now proceed to Private Members' Business.

PRIVATE MEMBERS' BUSINESS

[*English*]

IMMIGRATION ENFORCEMENT IMPROVEMENT ACT

Mr. Janko Perić (Cambridge, Lib.) moved that Bill C–316, an act to amend the Immigration Act and the Transfer of Offenders Act, be read the second time and referred to a committee.

He said: Mr. Speaker, I am pleased to rise today to debate Bill C–316, an act to amend the Immigration Act and the Transfer of Offenders Act.

I would like to start by thanking the members of the Private Members' Business subcommittee for realizing the importance of this legislation to the social fabric of our nation. Moreover by making this private member's bill votable, subcommittee members have acted upon a key principle which has been advocated by our minister of immigration in many forums.

The minister and I on numerous occasions have said that Canada has a proud tradition of welcoming immigrants. Members know that both of us have personally benefited from that tradition.

When I came to Canada from Croatia in 1968, I agreed to obey the laws of this nation. At that time I did not have the same rights as those who were already citizens. I could not vote. I could not have been a member of Parliament nor work for the federal government. I obeyed the law and was particularly careful to be on my best behaviour.

The day that I finally did become a citizen was one of the happiest days of my life. To this day I have continued to uphold the laws and virtues of this country and I will continue to do so.

The majority of our immigrants are model citizens. They work very hard to succeed in this country and they do so in a law–abiding manner.

• (1335)

However, a very small group of immigrants, and for that matter visitors, do not play by the rules. Some in this very small group have come to this great country, taken advantage of its generosity and disobeyed its laws. I would like those individuals to know that law–abiding immigrants and for that matter all Canadians, firmly believe that those individuals who are not citizens and who repeatedly show disrespect for the laws and people of Canada do not deserve to be here.

Our laws have always recognized that serious criminality should have the consequence of removal from Canada. The current Immigration Act explicitly states as much and my bill reinforces that principle.

The immigration enforcement improvement act simply aims to improve the way in which removal of violent offenders is executed. It streamlines a deportation procedure which has failed in the past, a procedure which has led to several inexcusable tragedies. Members may recall two of these inexcusable tragedies which occurred last spring.

In April of last year, a 23–year old young woman by the name of Georgina Leimonis was murdered in the trendy Toronto restaurant, Just Desserts. She had been having coffee with her boyfriend. One of her killers, O'Neil Grant, was a non–citizen with a lengthy criminal record. Prior to the murder, he had been granted a five year stay of his deportation. Lawrence Augustus Brown, the shooter, had immigrated to Canada 10 years earlier and also had an extensive criminal record.

The murder of Georgina Leimonis sent shock waves through Toronto and the entire country. In my riding of Cambridge, 20 grade 10 students from Galt Collegiate took the time to express their shock and anger over the murder of this young, vibrant woman. Their letters moved me to a point where I knew something had to be done. I would like to share some of their comments with members here today. Amy Gibson wrote:

> We like to think of Canada as the best country in the world and I agree most of the time. We have a lot of freedom here—but what happens when we have so much freedom that we lose security? The murder of Georgina Leimonis is a good example. She didn't do anything wrong, she was innocently sitting in a cafe when she was shot. Soon we will be afraid to leave our houses.

Katharina Daldrup wrote:

> I just immigrated to Canada 23 months ago and had found it to be a non–violent country. I was shocked by this incident and strongly feel that everything possible must be done to prevent incidents like this one.

Devon Edwards echoed the comments of the majority of his classmates when he expressed how deeply saddened he was to read of the murder of Georgina Leimonis.

The death of Georgina Leimonis was tragic but it was not an isolated incident. Less than two months after her murder, a 25–year old metropolitan Toronto police officer, Constable Todd Baylis, was killed while on duty.

Constable Todd Baylis and his partner had been out on a routine foot patrol when they spotted a suspect who was a known drug trafficker. As they began to pursue the suspect, a gun fight broke out and Constable Baylis was shot in the head before he could even draw his weapon.

Constable Baylis' killer, Clinton Gayle, was very well known to police and immigration authorities. He had a lengthy criminal record which included several convictions for trafficking in narcotics, possession of unregistered and restricted weapons, assault, attempted theft and escape from custody. It was because of his criminality that Clinton Gayle had been ordered deported in 1991. At the time of Constable Baylis' murder, Gayle was out on $2,000 bond and had been awaiting deportation for a two year period.

• (1340)

I truly believe that Clinton Gayle would have been deported prior to the murder of Constable Todd Baylis had the measures contained in Bill C–316 been in place.

Before I go any further, I would like members to know that the two cases I have just outlined are not isolated incidents. This is not just a Toronto problem. Tragedies such as these could have occurred and have occurred in Montreal, Vancouver and other parts of the country.

The Minister of Citizenship and Immigration has made great strides to limit access by serious criminals to immigration procedures that delay their removal from Canada. As a result of measures contained in Bill C–44, the rights of serious criminals to appeals under the immigration system have been limited. These same individuals will no longer be eligible for any form of early release or parole if they are serving a sentence for a criminal offence.

I applaud the minister for his swift action on these two elements and for his efforts to improve enforcement of deportation orders. However, I remain concerned that there is still room for serious offenders to fall through the cracks from the time they are sentenced to the time they are deported. My bill aims to fill those cracks.

Bill C–316 would permit a court, in addition to any other sentence, to order the removal of a non–citizen convicted of an offence punishable by 10 years or more. These serious criminals would have access to appeals within the criminal process but not to appeals currently available under the Immigration Act.

I understand there is some concern that the measures contained in this bill could be interpreted as a double punishment against non–citizens, a harsher sentence than a Canadian citizen committing the same crime would receive. The reality is that distinction currently exists. Non–citizens do not have all the rights of citizenship and non–citizens who commit crimes are currently subject to a criminal sentence and deportation. The only difference is that with Bill C–316, sole responsibility for both matters would lie with the courts rather than with the immigration department.

The measures being proposed would not only accelerate the deportation process of violent offenders but would also save the Canadian taxpayers money. The savings would primarily come from not having to duplicate the court hearing process. An offender's immigration status would be determined by the sentencing judge after an individual has been convicted of an offence punishable by 10 years or more as opposed to having one court determine criminality and the other immigration status.

Although it may take judges some time to get their heads around this legislation, if we have the courtroom, the lawyers and a judge familiar with an individual's past and present record, does it not make sense to deal with both issues at once? I submit to you that it does and that the Canadian taxpayers would prefer to see it done this way. I also know that there are judges and crown prosecutors who would prefer to have it done this way.

There are two additional measures of significance in this bill of which members should be aware. The first relates to how we treat offenders who came to Canada at an early age. Immigration advocates have argued that deporting someone who came to Canada as a child is unjust.

• (1345)

Some have even said our society should accept some responsibility for the way Clinton Gayle acted because he came to Canada in his early teens and was essentially a product of our environment. I agree with that argument to a certain degree. There has to come a point when we as Canadians say enough is enough.

My bill proposes anyone who came to Canada prior to the age of 16 and has remained free of criminal conviction for a period of at least five years should be exempt from deportation.

The second measure provides for the removal by court order of foreign offenders to their country of origin if reciprocal conditional release provisions exist in that country. The Transfer of Offenders Act currently makes provisions to transfer an offender to his or her country of origin if the offender chooses to be transferred and if a bilateral agreement exists.

Bill C–316 will remove that decision from the offender and will transfer it to courts thereby allowing a judge to order that an offender will serve the remainder of his or her sentence in their country of origin. I acknowledge my proposal may require certain bilateral agreements to be amended but I am confident that can be done with relative ease.

Concerns have been raised in reference to the possible deportation of family members with the offender. I advise the House these measures are currently contained in the Immigration Act. The reason for this is if the family members are financially dependent on the offender or if the offender was their sponsor, once the offender was transferred to his or her country of origin there would be an absence of financial support for the offender's family. This is currently done at the discretion of an immigration officer and under my bill it would be left to the discretion of the courts.

The two key elements of the bill, namely that sentencing courts be allowed to order the deportation of a person convicted of an indictable offence carrying a penalty of 10 years or more, and that the crown be permitted to initiate the transfer of foreign nationals to their country of origin, were contained in the final report of the safety net conference held in Hamilton last fall.

At this conference parliamentarians of different political stripes, immigration officials, immigration lawyers, enforcement authorities and victims groups specifically recommended the changes today being proposed in Bill C–316.

The bill has received the endorsement of the Canadian Police Association, the Metro Toronto Police Association, Victims of Violence and CAVEAT. The Minister of Citizenship and Immigration has on several occasions stated consideration should be given authorizing judges to issue deportation orders at the time of sentencing rather than requiring a separate step. He included this suggestion in his strategy for immigration and citizenship entitled "Into the 21st Century". He mentioned it during his speech on Bill C–44. I know he has been giving Bill C–316 the utmost consideration because we have discussed it on numerous occasions.

I have received a great deal of co–operation from the minister's office in preparing for today's occasion. However, I am aware the minister has some technical concerns with the bill and I have advised him I am prepared, willing and able to accept any amendments required to address the technical and drafting elements of the bill he is concerned with.

• (1350)

In conclusion, I leave members with the following to ponder. On April 2, I attended a memorial service for Georgina Leimonis in Toronto. Although the Leimonis family is still grieving the loss of Georgina, it does not want such a tragedy to be repeated. Members of the family have asked me to do everything in my power to see these amendments are enacted, and I am asking members for their support.

I would also like members to remember these often repeated words which Miss Kristina Kolesnyk of Galt Collegiate shared with me in her letter following the death of Georgina Leimonis: those who do not learn from history are doomed to repeat it.

Please support Bill C–316 so Canadians can feel more secure in their homes, neighbourhoods and on their streets.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I am pleased to have this opportunity to speak on behalf of the Reform Party on Bill C–316 put forward by the hon. member for Cambridge.

It is very encouraging after a year and half to see the Liberals finally starting to realize Canada has a crime problem and action does have to be taken. Part of this action by necessity involves taking a hard look at our immigration policy. We must examine the safeguards now in place to deter immigrant criminals from coming to Canada.

We must also scrutinize how to remove those who slip by the safeguards and cause pain to Canadian people. Our constituents expect no less from us.

I will go through the bill in some detail and outline some of the flaws I see in it. I understand the Canadian Police Association had a major part in the drafting of the legislation. Nevertheless, there are some problems. I hope as I go through these the hon. member can either ease my concerns about some of the problems I see or commit himself to strengthening the provisions, intents and phrasing of Bill C–316.

My first concern lies in what I see as the basic discriminatory nature of the bill. The purpose of Bill C–316 is to give Canada's judges an extra option when dealing with criminal immigrants. Not only could criminal charges be laid but the judge as a punishment could order deportation of the criminal, a unique sentencing option available only for immigrant criminals.

Compare this with section 15(1) of the Canadian Charter of Rights and Freedoms:

> Every individual is equal before and under the law, and has the right to equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethic origin, colour, religion, sex, age or mental or physical disability.

Under the bill those immigrants charged with a serious criminal offence will be under added pressure to plea bargain away the threat of deportation, a threat not facing a Canadian citizen in the same position. This provision appears to discriminate on the basis of national origin. For this reason alone I am fearful the bill would be struck down on its first charter challenge as being unconstitutional.

Section 3.8 raises questions on the constitutionality of the bill. Under this section criminal immigrants ordered deported by a judge could never be entitled to a conditional release, statutory release, temporary absence or accelerated review under the Corrections and Conditional Release Act. There will

be instances when a judge will be unable to have a criminal immigrant deported. I will touch on these instances later.

If our criminal justice system is unable to carry through on a deportation it will have once again discriminated against a non–Canadian. Canadian criminals will be eligible for parole. Non–Canadian criminals, however, will have to serve out their full sentence no matter what circumstances surrounding their behaviour while in custody.

Without a deportation an individual under these circumstances could spend the rest of his or her life in prison at the expense of the Canadian taxpayer. This again potentially violates both the word and spirit of section 15.1 of the Canadian Charter of Rights and Freedoms.

Reform MPs believe in effective laws to deter crime, like the member who sponsored the bill. Reformers, however, believe in laws that will stand up under the scrutiny of our most basic rights, even challenges from the Trudeau charter, which many feel has failed to protected the basic fundamental rights of Canadians. That is another debate.

We want laws will stand the test of time and unfortunately the bill as it is written fails to deliver.

• (1355)

Aside from these basic concerns there are a number of other serious problems with the bill that must be addressed at some point. Section 4.3 is one example of the short-sighted nature of the bill. As I mentioned earlier, a judge can add deportation as an additional punishment for non–Canadian criminals with any chance of parole removed. Yet section 4.3 states the criminal can only be deported to his home nation with the consent of that foreign state.

Many countries like Somalia and Vietnam refuse to take back criminal nationals. Under the bill we could develop a backlog of criminals in limbo ordered to be deported but not allowed to leave, all the while with the Canadian taxpayer on the hook for their time in jail.

Section 4.6 again highlights the seriousness of the bill's flaws. This section states no foreign criminal can be deported unless the criminal's home state either has conditional release laws similar to Canada's or agrees to conditional release provisions similar to Canada's.

In effect the hon. member is asking the rest of the world to adopt Canada's haphazard criminal justice and parole systems. If others do not do so, and there are dozens such as Vietnam and the state of California, the federal government would be unable to deport them.

I now ask the House to look at section 4. 5 of Bill C–316. It reads: "The order may provide for the removal from Canada to the foreign state of members of the family of the foreign offender on the same basis as described in section 33 of that act", that being the Immigration Act.

When an individual commits a crime care for dependent children is assumed to be passed on to another family member, a wife, husband or other relative. When this is not possible, as is the case with a single parent, these dependants become wards of the state. Whether the provincial family services departments across the country would allow for the deportation of children into uncertain and potentially dangerous circumstances is not clear. This is an issue that should be examined at length before the House debates Bill C–316 again.

Finally, I wish to bring to the attention of the House what I see as the largest oversight in the bill. Section 2 states section 3(f) of the Immigration Act would be amended by adding the following: the bill is to "ensure the expeditious removal from Canada of any person who has entered Canada and has subsequently been convicted of a serious criminal offence while in Canada".

What does the word "entered" mean and to whom does it apply? The answer can be found in the Immigration Act definitions. According to the act the word "entry" and all its derivatives are defined as follows: "Entry means lawful permission to come into Canada as a visitor". The bill will only apply to those in Canada on a temporary basis. The bill will not affect criminal immigrants at all, only those temporarily in Canada who will have to leave in any event when their visitor's permit expires.

I share the hon. member's concerns over criminal immigrants. During my time with the Standing Committee on Citizenship and Immigration these concerns were brushed aside time and again by Liberal MPs. The hon. member for Cambridge is a rare exception to that rule. This general indifference to criminal immigrants is sad to see since the small majority stains the entire immigration process.

After all, each of us in the House has a family history that extends beyond this country's shores. Each of us is an immigrant or a descendant of immigrants.

I and the rest of the Reform Party share this member's basic concerns that those who come to Canada unwilling to contribute peacefully to the betterment of our country but choose instead to violate its laws and threaten its people have no legitimate place in Canada.

Regrettably Bill C–316 as it now stands has too many loose ends and too many unanswered questions. Should the member seek the unanimous consent of the House to withdraw the bill and have the material referred to the Standing Committee on Citizenship and Immigration, I would be more than willing to support him. The issue is too important to leave any longer and certainly has merit for further consideration.

If he chooses to push ahead with the bill as is I will support it in second reading on principle and intent. If, however, each issue mentioned in my speech is not addressed and the numerous

loose ends in the bill are not tidied up I will be unable to support it at third reading.

• (1400)

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am very pleased to speak to this private member's bill introduced by the hon. member for Cambridge.

One of the things that makes Canada so great is the make–up of its population. People have come to Canada from all over the world, including those who came hundreds and hundreds of years ago over the land bridge from Asia.

However, as delightful and as strengthening as all of that is, there are a very small minority of immigrants from time to time within the country who refuse to take the benefit of and contribute to this longstanding tradition. Those relatively very few people break our laws and victimize our citizens. Some of these people are dangerous. This is unacceptable. Our country must deal with that very small group of people.

The hon. member's bill focuses on that very small number of immigrants or others who come into this country illegally and have committed serious criminal offences, sometimes violent. This bill distinguishes the criminals from the overwhelming majority of law–abiding immigrants.

I attended the CAVEAT Safety Net Conference this past September in Hamilton, Ontario. The conference was composed of leading justice reform and community activists as well as victim advocacy groups and persons from many other disciplines. The main goal of this conference was to put together draft legislation and public policy that would improve the safety of every Canadian. This bill takes into account many or some of the concerns raised at that conference.

The bill would do the following. It permits a criminal court to order the removal of a non–citizen convicted of an offence punishable by 10 years or more. It would accelerate the deportation process that already exists today. Currently deportation orders can only be issued by immigration officials. However, this bill would authorize criminal court judges to issue deportation orders at the time of sentencing and obviate the need for a second deportation step procedure.

The bill would not apply to anyone who arrived in Canada prior to reaching the age of 16 with some provisos.

Canadian laws have always recognized that serious criminality should have the consequence of removal from this country. The bill aims to improve the procedure under which violent and serious offenders are deported. Offenders will be required to serve at least a portion of their sentence in Canada in order to ensure that fundamental justice from the perspective of Canadians will be served.

The bill also provides for the removal by a court order of foreign offenders, that is non–citizens and persons illegally here, to their country of origin if reciprocal conditional release provisions exist in that country.

I should bring a few background facts to the attention of the House. The current state of immigration procedures reveals that approximately 40,000 to 50,000 persons—a layman's guess based on publicly available information—remain in the country in violation of the terms of their admission or for whom arrest warrants have been issued. That includes people who have been ordered deported.

Of this huge number, about 70 per cent are in the metro Toronto area. Many of those individuals will already have left the country on their own accord without checking in. Their names should not be on the system any more but we do not have a viable way of checking people out. There are about 2,000 warrants for people who have been ordered deported due to their criminal conduct.

We have a relative shortage of immigration officials. We have a great number of other government tasks we must do across this huge country and the people who are there are doing their best to manage our immigration laws and procedures.

• (1405)

In short, the bill would take the current two step procedure of conviction and deportation and combine them into one for serious offences, not for minor criminal offences.

In a private member's bill intended to amend existing legislation, as my hon. friend opposite has pointed out, there are always some procedural and substantive issues which arise. We in the House realize that. The procedure today is to adopt the bill in principle and refer it to a committee. My friend opposite has mentioned a number of things which will have to be looked at in this bill. I do not agree with everything on his list, but he has hit most of the hot buttons.

I would want colleagues to look closely at the application of this bill to the dependents of deportees. In addition, there would have to be some procedural preparation for criminal court judges to enable them to handle this type of procedure in the sentencing procedure at the end of a criminal trial. That needs some work as well. I know that colleagues on the citizenship and immigration committee will be able to do exactly that if the bill is adopted and referred by the House.

All of this would only happen with the co–operation of the Minister of Citizenship and Immigration, which I hope the hon. member for Cambridge will have. I would like to congratulate him on putting forward a private member's bill which addresses a procedural need. I hope it will fill the arguable procedural void

which exists now, the arguable duplication procedure which exists now, and that at the end of the day we will have a good and fair procedure, one which is efficacious for the intended purpose.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me begin by stating the obvious. There has always been crime in Canada. It is an unfortunate part of our society and of every society. Let us face it, there always will be an element within any population that disobeys the laws which govern the land.

[*Translation*]

However, we have the good fortune of being spared, for the most part, the violent criminal activity that goes on in other parts of the world. Despite what some newspapers and television shows would have us believe, we really are a peaceful and law–abiding people. But that does not mean that nothing bad happens here. Let us not delude ourselves, such incidents can occur and indeed already have.

Fortunately, we have a strong judicial system to deter crime. It is a system that I like to believe is impartial and fair. It is not perfect. Nothing is perfect in this world. But, in my opinion, the system works reasonably well.

[*English*]

Times do change. What may have been relevant 10 or 20 years ago may not be adequate to deal with the realities of the mid–1990s. New technologies are creating new types of criminal activity and new challenges for enforcement officials. The government recognizes that times change and that legislation must follow suit. Take, for example, the justice minister's proposed gun legislation. That is but one example of how the government is acting to curb crime. That is an example of good legislation; thoughtful legislation which weighs the pros and cons and comes up with a reasoned, rational and workable solution to a problem which faces us all.

It is with a similar intention that my hon. colleague and friend, the hon. member for Cambridge, has introduced his proposed legislation today. He is to be commended for his commitment to keeping the streets of his community and his country safe. No one here can doubt that his heart is in the right place. However, I cannot support the motion before the House today, for unlike the aforementioned legislation on gun control, Bill C–316 is not workable in its present form.

• (1410)

While on the surface some of its proposals may sound persuasive and may even make some sense in practice, they would simply cause more problems than they would fix.

We are all in agreement that we must deal firmly with violent criminals. We must deal firmly with those who come to this country to commit crime. Canada is a generous and welcoming place but we will not be used as fools. The Canadian government will protect Canadian citizens and institutions from becoming the target of foreign criminals.

When someone comes to our country and betrays our generosity and good nature with criminal activity we must not allow them to remain. The message is clear: Play by the rules or leave. However, Bill C–316 does not give us the tools we need to remove these people. If anything, it would complicate an already complex removal process.

First, the legislation raises some serious constitutional questions. The Supreme Court has established that deportation is not a form of punishment but rather an administrative decision taken by Canada. Bill C–316 seeks to change this. By making deportation a sentencing option, it suddenly becomes a criminal punishment. If this were to be the case, then there are no fewer than three constitutional clauses that could be used to argue against the sentence.

Section 15 of the charter is one example. It could be argued that two tiers of punishment would be available to judges if Bill C–316 came into effect, one for citizens, the other for non–citizens. There would be a case where people commit the same crime, yet the punishment would be more harsh for one than for the other. This goes against the fundamental idea that Canadian justice treats everyone fairly and equally.

It could also be argued that removal from Canada would represent a second form of punishment in addition to any other sentence. In effect, non–citizens would face the prospect of being punished twice for the same offence.

Finally, if deportation is seen as a criminal punishment, it could perhaps be construed as cruel and unusual punishment. It could be argued that removing a permanent resident from Canada is tantamount to denying for life that person's right to be with family and friends, to earn a living or to communicate freely in the course of daily living. This would put it in direct opposition to section 12 of the charter.

[*Translation*]

As you can see from this brief overview, the legislative provisions raise serious potential problems. If they are adopted, there is a strong possibility that even the most minor matter will give rise to constitutional free–for–alls that could last years and cost taxpayers hundreds of thousands of dollars, even millions.

Using measures that, in all likelihood, would slow down the enforcement of the law when the public is clamouring for better,

faster and more efficient government management of the country seems irresponsible.

We have to find a way to speed up the deportation process and not to paralyze the judicial system with excessive legal considerations.

[*English*]

I have touched on the constitutional arguments against this bill. Now let me discuss broader reasons that I cannot support it. If it were to pass we would be transferring the responsibility for removing potentially dangerous criminals from the federal immigration department, whose representatives are experts in the field, to provincial crown attorneys and judges. We should not dilute federal responsibility for something as important as the deportation of violent offenders.

I am not questioning the competence of provincial crown attorneys or judges, far from it. However these individuals already have exceptionally busy dockets and in many cases do not have the time or the expertise to deal with complex immigration cases.

As well, the international obligations Canada has with respect to immigration matters are not well known to judges acting in criminal matters. As a result it would take both time and money to train lawyers and judges to deal with immigration cases.

Furthermore, we must recognize that recommendations to the provincial court may take into consideration many factors which should not be part of a deportation hearing. Plea bargaining could become a convenient way for people who should not be in this country to stay in this country. Who is to say that deportation could actually be carried out?

• (1415)

Once a judge orders an offender removed, is it the court's responsibility to deport the individual? What would happen with the order of a judge that cannot be executed because the individual cannot be received outside Canada? Is the court to find a suitable country? Is the jurisdiction to be transferred back to the immigration department after the order has proven to be impossible to execute?

Deportation can be a complex process requiring travel documents and international co–operation. These are affairs that are best handled by the immigration department which will continue to be responsible for all other deportations of persons who have entered Canada illegally, have been convicted of serious crimes in other countries, or have otherwise violated the Immigration Act.

This is not the only part of the bill which neglects to take into account the fact that Canada cannot unilaterally remove people to other countries. The section concerning changes to the Transfer of Offenders Act also seems to forget that we need international co–operation to have an effective removal system.

The purpose of the act is to accommodate non–Canadians serving sentences by making it possible, on the basis of an arrangement between states, to transfer offenders so that they can serve time in their homeland. The act is not meant to support orders that may have been made by courts. In fact the act has nothing to do with the legal system. It is based on arrangements of an administrative nature between sovereign states.

Bill C–316 wants to change this. It proposes that the act be amended to allow Canada to remove any foreign criminal serving time in a Canadian prison. This just is not realistic. What would be the incentive of a foreign country to pass a treaty with Canada whereby we would transfer to them the cost of punishing offenders who have committed crimes here? The answer is simple. There is none.

The legislation may also be potentially unfair to a defendant in a deportation hearing. The government wants to ensure that all dangerous foreign offenders are ordered removed. We also want to ensure that humanitarian concerns which are an important part of the immigration system are consistently applied to all persons subject to removal orders.

I think we would all agree it is generally pretty easy to stand and criticize something. What is difficult is to work hard to find alternatives that do work. I am happy to say that we in government do not just sit and listen. We act.

Many of the proposals the bill would seem to resolve have already been dealt with in Bill C–44. As members know, the legislation was recently approved by the House and is currently before the Senate. Bill C–44 is good legislation. A serious criminal element, no matter how small, that has infiltrated our immigration system can be handled by Bill C–44.

In closing, the government is making progress in tackling the small number of criminals who have infiltrated our immigration program. The system works but it could work better. We recognize this and as a result we have taken action. I can assure members that we will continue with the progress, but we must take measured steps and weigh our options carefully. All too often there is a difference between what sounds good and what is practical.

We congratulate the hon. member for Cambridge for his initiative, but at this time Bill C–316 just does not fit the situation.

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, I am pleased to rise today to offer my thoughts on the bill presented by my friend and colleague from Cambridge, Bill C–316, an act to amend the Immigration Act and the Transfer of Offenders Act.

I congratulate the member for Cambridge, first, for bringing forward the bill that would amend the Immigration Act and, second, for being able to convince the appropriate House committee that the matter is of such urgency that it should be a votable item. This demonstrates that the issue the hon. member has brought forward is one of concern to a significant number of people across Canada.

I congratulate the hon. member because he has brought an interesting perspective to the debate in the sense that he is an immigrant to the country. He had to comply with the rules and regulations that were in place at the time he came to Canada. He knows what a privilege it is to be a Canadian citizen and how lucky those of us who were born in Canada are.

The hon. member did something that I could never do. He chose his country. In choosing that country he knew what the rules and regulations were. His hard work in this country has been rewarded by the fact that he is sitting in the most august House of Commons and is able to represent his constituents on matters of concern to them.

The issues raised by the hon. member in his private member's bill are issues of concern not only to the people of Cambridge but also to the people of Scarborough West. I say with some certainty that they are the concerns of many Canadians across the land.

The reason I say this is that in the 34th Parliament I was the immigration critic for the Liberal Party for a period of time. In that capacity I was asked by my leader to travel across the country and speak with Canadians about immigration issues, which I did. Time after time after time, regardless of whether it was in Victoria, Moose Jaw, Halifax, St. John's or Scarborough, one issue that was raised was that of people who arrive in Canada, are not citizens, do not appreciate the privilege of being here and commit heinous crimes.

In my own riding there was a situation where someone came from a country and pistol whipped a McDonald's employee for the pure pleasure of pistol whipping this person. It was clearly identified in the evidence. He committed armed robbery. He was obviously armed with the pistol that he assaulted the person with. He was committed to jail for a period of time. Then through a series of legal manoeuvres over a period of five years, extending through the first period of time that I was a member of Parliament, he succeeded in thwarting the immigration system and the deportation system. He was able to use every so–called legal manoeuvre to remain here in spite of the fact that subsequent to being released from jail for the armed robbery he was caught, charged and convicted of trafficking in drugs. He was still allowed to remain here through a series of legal technicalities.

After persistent pushing by the immigration department through a series of frustrating events involving the meshing of the judicial system and the immigration system, about which the parliamentary secretary was talking earlier and which caused delay and frustrated the department of immigration, the person was finally deported at the end of 1994. It was to the great relief of everyone concerned about the activities he had been involved in, including the immigration department, myself and my constituents who were personally attacked by the individual who was nothing but a downright, low–down criminal that should have been thrown out of the country upon his first conviction.

This is a private member's bill. We have heard from others that private members' bills are never perfect. I speak from experience of private members' bills that have been accepted by the House. We do not have departmental officials and departmental awareness of the issue on a day to day basis to help us. We come up with a germ of an idea. We see if people generally like it and we try to get it approved in principle so that it can be looked at in committee and amended if necessary. This is precisely what the hon. member has done.

Let us look at the bill in the very short time that I have left. The purpose of the bill is to provide the following:

> If a person is convicted of an offence punishable by 10 or more years imprisonment and is or is seeking permission to remain in Canada but is not yet a citizen, the court may, on application by the prosecution, order, in addition to any other sentence, that the person and anyone dependent on the person be removed from Canada.

I would be hard pressed to find a constituent of Scarborough West who on principle would disagree that a person who has committed a crime in this country, punishable by more than 10 years in prison, should not be deported. The proposition is the correct one. It is supported by the vast majority of Canadians, certainly those with whom I have interchanged on the subject.

We get into technicalities and that is true. We get into potential constitutional arguments and that is true. How do we even deal with the problem if we are afraid to bring something forward because it might possibly in the future contravene some section of the charter? We cannot operate like that. We have to do the best we can.

For example, it was brought up, and legitimately so, that there could be some constitutional arguments, such as how does the crown know anything about the immigration system. One potential amendment one could suggest immediately upon a cursory review of the bill might be in subclause 3(2) of this bill, dealing with section 32.1 of the Immigration Act, whereby one could put an amendment that the crown, on the recommendation of the immigration department, could make an application to the court to have the person deported.

Where there is a will there is a way. It is that simple. Once we recognize that there is a principle that is worthy of proceeding with, it is simply a question of figuring out how to do it. If Bill

C–316 is the way, fine. If it is not the way, then we know the problem, we know what Canadians want, we know what the solution is, and it is the job of the people of this House to figure out the way to accomplish that solution.

That in itself is a reason for the hon. member to be commended. I agree with the parliamentary secretary that this government should be commended for having dealt with part of these issues in the bill that we recently passed in this House. I agree that that bill will help, but it is not by itself the answer.

I dare say, Mr. Speaker, I do not think you would be too hard pressed to find anyone in Canada who would not say as a starting principle that if you are not a citizen of the country and have committed a serious offence in which you could be sentenced to 10 years or more, out you go, and you had better have a mighty good reason to convince Canadians that you should stay.

The bill provides for that. It provides for an opportunity for the potential deportee to have counsel and to speak. It provides for the appeal mechanism. It also provides for the situation where someone perhaps came here at age five and for all intents and purposes is a Canadian, has forgotten for technical reasons to apply for Canadian citizenship, has not been involved with the law before and perhaps at age 30 commits an offence. The person for all intents and purposes is a Canadian citizen except technically. The bill deals with that. It provides that it would not apply to circumstances of that nature.

In brief and in closing, I simply want to congratulate the member again for identifying a problem that certainly irritates Canadians—Canadians who are tolerant, Canadians who are by and large either immigrants themselves or the descendants of immigrants, who tolerate and want immigration, who are happy to see immigration to this country and who realize that immigrants are a benefit to this country.

We know as surely as we stand here that for every person who is convicted of an offence and abuses the hospitality of the country, there are 10,000 who would come here tomorrow and never even get a parking ticket.

I say that we have to look at those people who are prepared to come here and abide by the laws of this country and have very little tolerance for those who abuse our hospitality.

The Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired.

It being 2.23 p.m., the House stands adjourned until Monday at 11 a.m.

(The House adjourned at 2.23 p.m.) ,